INDIANA

Earl D. Robison, Attica.
Charlie E. Smith, Coal City.
Wade Denney, Farmersburg.
Arthur E. Dill, Fort Branch.
Charlie W. Elliott, Middlebury.
Earl L. Rhodes, Milltown.
Thomas J. Jackson, New Albany.
Calvin Ulrey, North Manchester.
Chester M. Davis, St. Paul.
James C. Brown, Salem.
Bert C. Lind, Sandborn.
Edith A. Wetzler, Sunman.
Lee Herr, Tell City.
David E. Purviance, Wabash.
Isaac Sutton, Waynetown.

KANSAS

Nellie C. Preston, Buffalo.

LOUISIANA

Howard G. Allen, Dubach.
James A. Gannon, Natchitoches.
Edward J. Sowar, Norwood.

MINNESOTA

Nelse Monson, Belview.
Bertha Finch, Butterfield.
William G. Early, Eyota.
Kenneth S. Keller, Kasson.
James A. Christenson, Preston.
Floyd H. McCrory, Rockford.
Jonas W. Howe, Stewartville.
Fred F. Campbell, White Bear Lake.

MISSOURI

Benonia F. Hardin, Albany.
Melvin J. Kelley, Annapolis.
Louis E. Meyer, Bowling Green.
John A. Griesel, Golden City.
William S. Tabler, Jasper.
Henry O. Abbott, Lebanon.
Lloyd R. Kirtley, Madison.
William E. Hodgin, Maitland.
Theron H. Watters, Marshfield.
Fred Mitchell, Purdy.
Charles A. Bryant, Richland.
Frank A. Stiles, Rockport.
Elvin L. Reuno, St. Charles.
William H. Roster, St. James.

MONTANA

Edwin Grafton, Billings.
Franklin R. Whaley, Fairview.
John O. Dahl, Froid.
Howard Squires, Harlowton.
Robert H. Michaels, Miles City.

NEBRASKA

Earl S. Murray, Bloomington.

NEW JERSEY

John Rotherham, Jersey City.

NEW MEXICO

Jeffrey A. Houghton, Magdalena.

NORTH CAROLINA

Mrs. Ezra Wyatt, Hobgood.
Don H. Gosorn, Old Fort.

OKLAHOMA

Roy Patterson, Capron.
Lloyd D. Truitt, Helena.
Nellie E. Vincent, Mutual.
Jonas R. Cartwright, Shattuck.
Bertha A. Wolverton, Wapanucka.

PENNSYLVANIA

William T. Cruse, Derry.
Samuel H. Bubb, McClure.
Joseph L. Roberts, Sharon.
Sara B. Coulter, Wampum.
William A. McMahon, West Pittsburg.

TEXAS

Lock M. Adkins, Beeville.
Robbie G. Ellis, Fort Davis.

VIRGINIA

Morgan B. Hobbs, Rose Hill.

VERMONT

Frank E. Howe, Bennington.
John H. Dimond, Manchester Center.
John T. Tudhope, North Hero.
Orrin H. Jones, Wilmington.

WASHINGTON

Walter L. Cadman, Dayton.
Edward Van Dyke, Lake Stevens.
William R. Cox, Pasco.
Charles E. Rathbun, Pomeroy.

WEST VIRGINIA

Horatio S. Whetsell, Kingwood.
Eva Lucas, Tralee.

HOUSE OF REPRESENTATIVES

SATURDAY, *January 15, 1927*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God of our fathers, Thou art under the great burden of the world, and this infinite truth means strength for the weak, love for the loveless, and a rescue for all human life. Our prayer is that we may hear the world's deeper meaning through the surface of mortal things. Lead us so we shall feel most deeply a new power and a new persuasion bursting from the fountain of eternal truth. When the door of this day closes lift us above the work of the week and give us respite from our labors. May home be sweet and loved ones dear; and may we hear the spiritual melody that lures us to a better and a nobler life. Amen.

The Journal of the proceedings of yesterday was read and approved.

WATER POWER

Mr. GARRETT of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by having printed some correspondence between my colleague, Hon. CORDELL HULL, and former Senator John K. Shields, touching the subject of water power.

I may say that this has direct bearing upon a bill sponsored by Mr. HULL and myself and introduced by myself a few days ago. The bill is very short, and I should like permission to insert the bill in connection with the correspondence.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to extend his remarks in the RECORD by printing correspondence between his colleague [Mr. HULL] and former Senator Shields with regard to the subject of water power. Is there objection?

Mr. SNELL. Reserving the right to object, is this on the subject of water power?

Mr. GARRETT of Tennessee. Yes; it has bearing upon a bill sponsored by Mr. HULL and myself and introduced by me a few days ago. The bill is now before the Committee on Interstate and Foreign Commerce.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GARRETT of Tennessee. Mr. Speaker, under leave to extend my remarks, I submit the following bill and correspondence between Hon. CORDELL HULL and former Senator John K. Shields of Tennessee:

[H. R. 15426, 69th Cong., 2d sess.]

IN THE HOUSE OF REPRESENTATIVES,

December 18, 1926.

Mr. GARRETT of Tennessee introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed:

A bill to amend an act entitled "An act to create a Federal Power Commission; to provide for the improvement of navigation; the development of water power; the use of the public lands in relation thereto; and to repeal section 18 of the river and harbor appropriation act, approved June 10, 1920, and for other purposes"

Be it enacted, etc., That the act of Congress, approved June 10, 1920, creating the Federal Water Power Commission, providing for the improvement of navigation, the development of water power, and the use of the public lands in relation thereto, shall not be construed or interpreted to authorize and empower the Federal Power Commission to grant permits or authorize any person or corporation to survey the banks, shores, or soils of nonnavigable streams for the purpose of constructing dams and reservoirs on such streams, otherwise than upon

the public lands of the United States, or to grant licenses to construct dams, reservoirs, or other improvements, to develop water powers and use the banks, soils, and waters of said stream for private purposes and in any way violate the sovereignty and property rights of the State within which the stream is situated and the right of riparian proprietors.

SEC. 2. That the jurisdiction and power of the Federal Power Commission and other commissions, agencies, officers, and agents of the United States to authorize the construction of dams in and upon streams and develop the water powers of streams shall be and is confined to navigable streams, other than on the public lands, and navigable streams upon which the Congress has the power to regulate commerce and improve for navigation and transportation of commerce, which are defined and declared to be streams and waters that are navigable in fact and used or are susceptible of being used in their ordinary condition for navigation and as highways for commerce.

SEC. 3. That so much of the act creating the Water Power Commission and of all other acts in conflict with this act are hereby repealed.

WASHINGTON, D. C., *December 24, 1926.*

Hon. JOHN K. SHIELDS,
Knoxville, Tenn.

MY DEAR SENATOR: You will doubtless recall a letter I wrote you under date of January 2, 1926, requesting your views as to the fundamentals of the water-power situation, keeping in mind the respective rights and jurisdiction of the Federal Government on the one hand, the States on the other. I expressed the feeling that probably the Federal power act needed overhauling, perhaps materially, in order to comply with the jurisdictional rights of the States and the Federal Government, respectively, as the same have been adjudicated by the courts. I was not certain at the time, and am not yet certain, whether the Federal power act is constitutional. My sole purpose in taking up this matter with you was and is to aid in outlining a course that will result in clarifying and permanently establishing on a sound legal basis the respective rights and jurisdiction of the Federal Government and the States with respect to all potential water power on navigable and the other streams. This suggestion is not prompted by any bias or prejudice toward the States or the Federal Government or any private power concern, either pro or con, but as stated with the sole view of securing a final sound and proper determination and permanent settlement of our water power policies, both State and National.

You have been kind enough already to submit a clear-cut definition of the complete rights and jurisdiction of the States with respect to potential power on streams nonnavigable in fact, and have cited ample authorities in support thereof. The next definition, which you covered in your speeches in the United States Senate on pending water-power measures in 1916–17, naturally relates to the respective rights of the Federal Government and the States in potential power on navigable waterways. It would be highly illuminating if you could offer a boiled down statement covering this problem.

Some other vital phases relate, for example, to the rights of the States of Tennessee and Alabama with respect to headwater storage under the offer for Muscle Shoals by the 13 power companies. As I understand this offer, the power companies actually propose, in addition to the payment of about 4 per cent on the cost of the Wilson Dam, to pay the Federal Government $20 per horsepower-year for each additional horsepower of primary power in excess of the present 80,000 horsepower created at the Wilson Dam by headwater storage, these payments to be made annually as the benefits from such headwater storage accrue at the Wilson Dam, but not in excess of $1,200,000 a year.

The engineers seemingly agree that the primary power at all dams below Cove Creek in the Tennessee River will be about doubled. If, for example, we take the case of Hales Bar and assume that 30,000 secondary power is made primary by the storage benefits from Cove Creek, this at $20 a horsepower would be $600,000 annually, or at $15 a horsepower would be $450,000 annually. Such secondary horsepower at Hales Bar is thus made primary without coal, freights, or any other expense, and hence would apparently be so much net profit to the company without any outlay whatever. Should not Tennessee at least share in these headwater benefits at all dams in Tennessee below Cove Creek, and instead of pursuing the policy proposed by the power companies at Muscle Shoals of paying large sums annually into the Federal Treasury on account of these headwater benefits, why should not such payments go direct into the treasury of the State of Tennessee?

With the interest of Tennessee in view, your opinion as to whether Congress has the legal right to dispose of these headwater storage benefits for the profit of the United States would be very timely and valuable.

Another important question in this connection is whether under existing proposals and policies we could recapture these headwater storage dams at the end of 50 years from any power company building under the Federal power act, as in the case of the proposed Cove Creek Dam.

It seems to me that the opinion of a lawyer of your legal capacity and with your wide range of water-power information touching the foregoing and any other phases that might occur to you would at this time be of great interest to the people of Tennessee, as it would, in my judgment, constitute a most valuable public service.

Hoping to hear from you at your
Very sincerely,

CORDELL HULL.

KNOXVILLE, TENN., *January 13, 1927.*

Hon. CORDELL HULL,
House Office Building, Washington, D. C.

MY DEAR JUDGE: I have your letter concerning the sovereign powers of the United States and of the several States over the navigable rivers of the States, the title and control of property rights in the rivers and their waters, and the validity of certain provisions of the "Federal water power act," approved June 10, 1920, creating the Federal Power Commission and undertaking to confer upon it control of the development and use of the potential water power in streams, and the property and business of those making developments.

The potential water power in the great rivers of the United States is the greatest natural resource left to the people. I have been for many years deeply interested in the development of water power and the production of hydroelectric energy. I am very glad to comply with your wishes as briefly as I can in such important matters.

There was no substantial controversy concerning the jurisdiction and powers of the United States and of the several States, respectively, over the streams and rivers during the first century after they became sovereign governments.

It was established and conceded that when the American Revolution succeeded the several Colonies of Great Britain became sovereign States, with all the powers, prerogatives, and rights of the British Crown under the common law, among which were the absolute jurisdiction, title, and control of the streams, their waters, banks, beds, and soils within their respective borders. It was also well settled that Congress, under the commerce clause of the Constitution, had paramount authority to develop and preserve navigation in and upon the navigable streams of the States, and that this was a police power and did not include property rights or the control of them.

The Supreme Court of the United States held that the power of the Congress was confined to the promotion, preservation, and control of navigation upon navigable streams; defined navigable streams to be those navigable in fact; that is, susceptible of being used in their natural state for interstate and foreign commerce by the usual modes of transportation by water, and that Congress could not grant or control any property rights in these streams. (Gibbons *v.* Ogden, 9 Wheat. 1; The Daniel Ball, 10 Wall. 557; United States *v.* Rio Grande Co., 174 U. S. 690; Hardin *v.* Jordan, 140 U. S. 318.)

All the other sovereign powers, property rights and interests in the streams were held to be reserved to the States and the people as expressed in the tenth amendment. In Martin *v.* Waddell (16 Pet. 410), it was said: "When the Revolution took place the people of each State proclaimed themselves sovereign and in that character hold absolute right to all their navigable waters, and the soils under them for their common use, subject only to the right since surrendered by the Constitution to the general government." And in the case of Pollard, lessee *v.* Hagan (3 How. 229): "By the preceding course of reasoning we have arrived at these general conclusions: First, that the shores of navigable waters and the soils under them were not granted by the Constitution to the United States, but were reserved to the States respectively; secondly, the new States have the same rights, sovereignty, and jurisdiction over this subject as the original States." In the case of Kansas *v.* Colorado (206 U. S. 46–92), brought by the State of Kansas against the State of Colorado, to restrain diverting the waters of the Arkansas River for the irrigation of lands in Colorado to such an extent as to deprive the citizens of Kansas of the same, the United States filed an intervening petition, claiming the right to control the waters of the river to aid in the reclamation of arid public lands. The petition was dismissed, and the reasons therefor are summed up in the syllabus of the case in there words: "The Government of the United States is one of enumerated powers; that it has no inherent powers of sovereignty; that the enumeration of the powers granted is to be found in that alone; that the manifest purpose of the tenth amendment to the Constitution is to put beyond dispute the proposition that all powers not granted are reserved to the people, and that if in the changes of the years further powers ought to be possessed by Congress they must be obtained by a new grant from the people. While Congress has general legislative jurisdiction over the Territories, and may control the flow of waters in their streams, it has no power to control a like flow within the limits of a State, except to preserve or improve the navigability of the streams; that the full control over these waters is, subject to the exception named, vested in the State."

The questions decided in that case and the one we are considering are in principle identical. The United States has no more power to control the waters of navigable streams for the generation of power than it has to control them for irrigating public lands, which was there denied.

It was also held that the States had the title to the streams and all interests in them in trust for their people; that they may exclude the people of other States from the use of them; and that it is the duty of their authorities to protect them. (McReady *v.* Virginia, 94 U. S. 391); Manchester *v.* Mass., 139 U. S. 240; Corfield *v.* Coryell, 4 Wash. C. C. Repts. 378.) There are late cases in full accord with those referred to, but it is not necessary to quote from them.

The great value and use of water power in generating hydroelectric energy for manufacture and other industries first challenged the attention of the public about the beginning of this century; then it was that a group of so-called conservationists succeeded in procuring Federal legislation which absolutely tied up all development of water power in navigable streams and opposed bills providing for the development of water power and generating of hydroelectricity during the war because these bills did not authorize the Federal Government to take over the sovereign rights and property interests of the States in streams, impose rents to be paid into the Treasury of the United States, and control all production and business in the use of water power. This struggle finally resulted in the Federal water power act, as a compromise to hasten water-power development. Some of the sovereign rights of the States, including those of charging rents and regulating power rates, were preserved; and others, including the construction of dams, whether relating to navigation or not, the control of the finance and business of those constructing them, and the production of hydroelectricity, the appropriation of storage reservoirs, and property in waters were given to Federal authorities without constitutional warrant. While the improvement of navigation is included, it clearly appears, both from the caption and body of the act, that the object and purpose of the framers were to usurp the sovereign powers of the States and confiscate their property in the streams within their borders.

The act creates the Federal Power Commission, composed of the Secretary of War, the Secretary of the Interior, and the Secretary of Agriculture. The commission is authorized to grant licenses to citizens of the United States, States, and municipalities to construct dams in the navigable streams (erroneously construed also to include non-navigable streams) of the several States, and to develop and utilize water power for the generation of hydroelectricity for 50 years.

The provisions of the act are too voluminous to be fully stated. Those solely concerning water-power development are the regulation and control of the organization, finances, accounting and business methods of the persons and corporations constructing dams, the control of the production of water power and generating hydroelectricity, and regulating the sale, disposition, and transmission of electric power and the rates and charges for it; prescribing the manner and basis of valuing the property in regulating charges and rates; the expropriation of profits deemed by the commission to be excessive; requiring payment to the Federal Government of charges for the privilege of using water power from privately owned dams; arbitrary liability and requirement to use and pay charges for storage reservoirs and other headwater improvements for increase of flow of water and of power at dams; the amortization of the investment of water power companies after the lapse of 20 years; and the "recapture" by the United States of dams constructed and all projects, works, and transmission lines constructed and used in connection with them at the expiration of the license.

These are all matters having no connection with navigation, and solely affecting the sovereignty, police powers, and property rights of the States and riparian proprietors. It is held in Hardin *v.* Jordan (140 U. S. 381) that the States have the exclusive power to control the lands and waters within their territories, subject to the condition that they do not interfere with navigation. In St. Anthony Falls Water Power Co. against Water Commissioners it is held that the rights of riparian proprietors in lands upon navigable rivers are to be measured by the rules and decisions of the courts of the State in which the lands are situated.

The United States can not interfere with the governmental and police powers of the States concerning property rights, manufacture, and business not constituting interstate commerce. (McCulloch *v.* Maryland, 4 Wheat. 316; Houston *v.* Moore, 5 Wheat. 49; Withers *v.* Buckley, 20 How. 84; Pollock *v.* Farmers Loan & Trust Co., 157 U. S. 429; South Carolina *v.* United States, 199 U. S. 437.)

The business of generating hydroelectricity over which the Federal Power Commission is given jurisdiction is not commerce and has no connection with navigation, and is not within the power of regulation by Congress. In Adair *v.* United States (208 U. S. 178–180) it is said: "Manifestly any rule prescribed for the conduct of interstate commerce in order to be within the competency of Congress, under its power to regulate commerce among the States, must have some real or substantial relation to or connection with the commerce it regulates. * * * We need scarcely repeat what this court has more than once said, that the power to regulate interstate commerce, great and paramount as that power is, can not be exercised in violation of any fundamental right secured by other provisions of the Constitution."

In the child labor case of Hammer *v.* Dagenhart (247 U. S. 251), approved in Bailey *v.* Drexel Fur. Co. (259 U. S. 20), the court says: "The grant of power to Congress over the subject of interstate commerce was to enable it to regulate such commerce, and not to give it authority to control the States in their exercise of the police powers over local trade and manufacture. * * * The maintenance of the authority of the States over matters purely local is as essential to the preservation of our institutions as is the conservation of the supremacy of the Federal power in all matters entrusted to the Nation by the Federal Constitution. * * * The power of the States to regulate their purely internal affairs by such laws as seem wise to the local authority is inherent and has never been surrendered to the General Government."

The United States has no general police power, and Congress can not exercise that reserved to the States, although the States and their citizens give their consent. (United States *v.* DeWitt, 9 Wall. 41; Martin *v.* Hunter, 1 Wheat. 304; License cases, 5 How. 504; Pollard *v.* Hagan, 2 How. 229, In Raher, 140 U. S. Repts. 345; Enc. U. S. Repts. Vol. 4, 214.)

That navigation was largely, if not entirely a pretext of the advocates and framers of the Federal water power act, and their primary object was to control water-power resources, the generation, transmission and uses of hydroelectricity, must be apparent to any one not prejudiced who reads it. The courts will not sustain the act. Chief Justice Marshall, in McCulloch *v.* Maryland, supra, said: "Should Congress under the pretext of exercising its powers pass laws for the accomplishment of a business not intrusted to the Government, it would become the painful duty of this tribunal, should a case requiring such decision come before it, to say that such an act was not the law of the land."

The Federal Power Commission has practically yielded all jurisdiction over the water power of the State of New York to the authorities of that State to avoid threatened litigation. The report of the Attorney General of New York upon this subject to Gov. Alfred E. Smith, who is protecting the interests of the people of his State from Federal and corporate control and confiscation, will be found very interesting and instructive.

While space will not permit me to discuss all of the provisions of the act, I will briefly refer to some of them:

The "recapture" clause authorizes the United States to take over the property of a licensee at the expiration of the license, and either hold it or grant it to others upon a basis of valuation which excludes many of the elements of value. The United States has no property interest in the waters, banks, and beds of streams, and has no right to "retake" or "recapture" them. It can not develop or operate water-power development for commercial business of any nature, whether generating, selling, and distributing hydroelectricity, or manufacturing or dealing in other products. It can not deprive the States or the people of their property for a value fixed by law excluding elements of value. While Congress may determine the public necessity or property to be condemned, the "just compensation" required by the Constitution to be paid must be fixed by the courts and include all elements of value.

The Federal Government as a riparian owner may enter into contracts as to the use of its property, as may any other such owner; but such contracts must conform to the sovereignty and laws of the State wherein the property is situated.

The provision requiring those constructing power dams to reimburse such proportion of the annual charges for interest, maintenance, and depreciation to the United States, or to persons constructing and maintaining storage reservoirs and headwater improvements, as the commission may deem equitable, is equally a usurpation of the powers and property rights of the States and riparian proprietors. The United States and others constructing storage works, having no property in the waters of streams, can not charge lower riparian proprietors for them. Impounding waters gives no title to them, but only the use of them. The States, having the title to the waters, and regulating their disposition and use, can impose and collect charges of this character. The United States has no property right in waters, or the right to dispose of them, where it does not own riparian rights, and then its rights are subject to the laws of the States governing riparian rights. (Anthony Fall *v.* Commissioners, supra; Green Bay Co. *v.* Patten Paper Co., 172 U. S. 58.) The effect of the provision is to compel riparian proprietors constructing dams to purchase power which they may not need and can not use at prices arbitrarily fixed.

The only instance which has come under my observation of the United States, where it has no riparian rights, proposing to charge for water power created by storage reservoirs, whether constructed by it or not, is that contained in the proposed contract between the 13 associated power companies and the United States for the lease of the Muscle Shoals dam and works, under which the lessee is to pay $20 per horsepower annually for each additional horsepower made primary in excess of the present primary power of Dam No. 2 created by storage and head water improvements, not to exceed $1,200,000, and a similar provision for payment for increased primary power at Dam No. 3, not to exceed an annual charge of $600,000. These propositions must astound all who have a reasonable knowledge of the rights of States in the waters of navigable rivers. This provision of the contract is

without consideration and is void and unenforceable. These waters and the right to receive compensation for their value and benefits belong to the States and the people of Tennessee and Alabama, and they have the sole and exclusive right to receive the revenues from them.

The United States can not exercise powers not enumerated in the Constitution and reserved to the States and their people, and the failure of the States to exercise any of their powers does not confer them upon the Federal Government. The authority given the Federal Power Commission under certain conditions to fix and regulate the charges for water power and hydroelectricity is therefore clearly unwarranted. Section 19 of the Federal water power act undertakes to provide: "That in case of the development, transmission, or distribution, or use in public service of power by any licensee hereunder or by its customer engaged in public service within a State which has not authorized and empowered a commission or other agency or agencies within said State to regulate and control the services to be rendered by such licensee or by its customer engaged in public service, or the rates and charges of payment therefor, or the amount or character of securities to be issued by any of said parties, it is agreed as a condition of such license that jurisdiction is hereby conferred upon the commission, upon complaint of any person aggrieved or upon its own initiative, to exercise such regulation and control until such time as the State shall have provided a commission or other authority for such regulation and control," etc.

Chief Justice Marshall, in Gibbons v. Ogden (9 Wheaton, 5 Peters), said: "In our complex system, presenting the rare and difficult scheme of one general government whose action extends over the whole but which possesses only certain enumerated powers and numerous State governments which retain and exercise all powers not delegated to the Union, contest respecting power must arise * * *. This, however, does not prove that the one is exercising, or has the right to exercise, the powers of the other."

I will not further discuss the provisions of the act. New York and other States have recently created water-power commissions to protect and preserve this great natural resource in their borders, independently of the Federal Power Commission, and it would seem to be the duty of all the States thus to exercise their constitutional and reserved powers to protect the interests of their people.

It is unfortunate that the authority and control which the Secretary of War had over the improvement and preservation of navigation in the navigable streams, wisely, efficiently, and justly exercised before the so-called "conservation" acts of 1906, 1909, 1910, and the Federal water power act were enacted, should have been disturbed. It is also believed that the control of water-power development upon the public lands should be restored to the Secretary of the Interior and to the Secretary of Agriculture, as their jurisdiction was established or, more justly, surrendered to the people of the public-land States. The Federal Power Commission is only another of the unfortunate and unwise experiments of the Federal Government in creating numerous bureaus and commissions in Washington interfering with the sovereignty and reserved powers of the States, burdening and embarrassing the business of the people. It is now the opinion of many that the act should be repealed, so as to avoid litigation which will certainly follow.

Will you permit me to say that the greatest issue now before the people of the States is to have restored to them their sovereign powers of local self-government and their reserved rights?

I greatly appreciate the interest you are taking in preserving to the people of Tennessee their greatest and most valuable natural resource and their right to control their own property interests.

With highest regards, I am,

Yours truly,

JOHN K. SHIELDS.

PRIVILEGES OF THE HOUSE

Mr. McKEOWN. Mr. Speaker, I rise to a question of the privileges of the House, and offer a resolution, which I send to the desk.

The SPEAKER. The gentleman from Oklahoma rises to a question of the privileges of the House and offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 379

Resolution declaring H. R. 5218 a public law

Whereas the Congress of the United States duly passed and presented to the President of the United States on the 3d day of July, 1926, duly attested as required by law, H. R. 5218, entitled "An act to carry into effect the twelfth article of the treaty between the United States and the Shawnee Tribe of Indians, proclaimed October 14, 1868"; and

Whereas the President has not returned said bill with his objections in writing to the House of Representatives, in which the bill originated: *Resolved by the House of Representatives*, That H. R. 5218, "An act to carry into effect the twelfth article of the treaty between the United States and the Shawnee Tribe of Indians, proclaimed October 14, 1868," has become a law of the United States.

Mr. SNELL. Mr. Speaker, reserving the right to object, what is the privilege involved in this matter?

Mr. McKEOWN. It involves the privileges of the House under Rule IX. It is a resolution introduced under the highest privilege of the House on the question of a failure to return a bill with objections to the House.

Mr. SNELL. What is to be accomplished by this resolution?

Mr. McKEOWN. I will explain to the gentleman that there were six bills of this nature passed at the last session of Congress. They were presented to the President of the United States and they were not approved at the time of the adjournment of the last session of Congress. One of the bills was approved and returned to the Congress.

Mr. RAMSEYER. When was it approved?

Mr. McKEOWN. Approved after the Congress had adjourned for the session.

Mr. RAMSEYER. Within 10 days?

Mr. McKEOWN. No; beyond the 10 days.

My contention is that the President should return a bill to the Congress unless it is after the final adjournment of the Congress. I have some authorities here in support of that position. I am asking that the resolution go to the Committee on the Judiciary to determine that question.

Mr. CARTER of Oklahoma. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. CARTER of Oklahoma. I do not think the gentleman intended to say the President had approved that bill after the 10 days had expired.

Mr. McKEOWN. He did approve another one of these bills.

Mr. CARTER of Oklahoma. But not after the 10 days had expired.

Mr. McKEOWN. It was approved after the adjournment of that session of the Congress and was returned to the Congress after the adjournment, but approved within 10 days. I was in error in my former statement.

Mr. HASTINGS. But it was approved within the 10 days?

Mr. McKEOWN. Yes; it was approved within the 10 days.

Mr. SNELL. Do I understand the gentleman is asking to have the bill returned to the Committee on the Judiciary?

Mr. McKEOWN. No; I am asking that this resolution go to the Judiciary Committee for its consideration and report.

Mr. HASTINGS. On the question of whether or not the particular bill mentioned in the resolution is a law?

Mr. SNELL. Is that a question of the highest privilege of the House under the circumstances?

Mr. McKEOWN. Yes; under Rule IX.

Mr. TILSON. Is the gentleman willing to have his resolution referred to the Committee on the Judiciary without further statement than the one he has presented to the membership of the House?

Mr. McKEOWN. I simply want to submit the principles involved in our contention and I will then submit a brief on the subject. It is one of the most important questions, it seems to me, that can arise in the House.

Mr. SNELL. At the present time I can not see where this is a matter involving the privileges of the House.

The SPEAKER. Let the Chair make this suggestion. The Chair understands the gentleman desires the opinion of the Committee on the Judiciary on this matter, which I think is entirely proper; and in order to prevent any discussion of the question of privilege, if the gentleman would ask unanimous consent, the matter could then be referred and the question determined by the Committee on the Judiciary.

Mr. SNELL. Mr. Speaker, I did not hear the suggestion of the Chair.

The SPEAKER. The Chair made the suggestion to the gentleman that he ask unanimous consent with the understanding the matter will be referred to the Committee on the Judiciary, and the House may then have the benefit of its opinion instead of raising the question of privilege at this time.

Mr. TILSON. Does the gentleman from Oklahoma wish to make a brief statement at this time?

Mr. SNELL. If so, I have no objection to that.

Mr. TILSON. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma may be permitted to make a statement to the House, not to exceed 10 minutes in length, and that the resolution offered by the gentleman be then referred to the Committee on the Judiciary.

Mr. SNELL. And the question of privilege be dropped for the present.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. McKEOWN. Mr. Speaker, this question which I raise is one of the most important questions, to my mind, that has

come before the House. It has never been presented directly before to the Congress. My contention is that the language in the Constitution, which says that bills presented to the President unless returned within 10 days shall become a law unless the Congress by its adjournment prevents its return, means adjournment of the Congress and not merely the adjournment of a session of the Congress.

Now, when the Constitutional Convention was in session it was moved by Mr. Wilson and seconded by Mr. Hamilton to give the President of the United States absolute veto power in our new form of government. This motion was voted down unanimously.

What is the situation? The session adjourned in July, and the bill was presented to the President in due form, according to law, on the 3d day of July. Now, if the Congress had finally adjourned, then the President would not have had an opportunity to send it to the Congress, but the session adjournment—according to the decision the other day on the question raised by the gentleman from New York [Mr. LaGuardia]—the President would have had 10 days in the succeeding session to return it. He did approve of one of these bills and sent a message to the House to that effect, which recognized the fact that the Sixty-ninth Congress was still in existence.

Bills that had not been enrolled, bills that had not been signed, were taken up when this session convened and were signed by the President. If the construction can be placed that an adjournment of the session of the Congress gives the President the right of an absolute veto, why, we have no chance to have submitted to the Congress to pass on the question whether we agree with his objections or not.

Now, this identical language is in the constitution of the State of New York, the same language that was put in the Federal Constitution, and that language has been construed by the Supreme Court of New York to mean the final adjournment of the legislature.

When Andrew Johnson was President of the United States a bill was presented to him relative to equal rights in the District of Columbia. The President refused to return the bill because Congress had recessed from a day in December over to a day in January for the Christmas holidays. A resolution similar to this one that I have presented was introduced, and it was decided that it had become a law. The President refused to return it because it was, as he claimed, performing a legislative function in approving the bill, and the House had to be in actual session. It was decided that Congress did not have to be in actual session.

In a mining case that went to the Supreme Court it was determined that the President could sign a bill after the adjournment of Congress.

There was a case in the Supreme Court of California containing a similar provision, and it was held that it meant the final adjournment.

Mr. RAMSEYER. Will the gentleman yield?

Mr. McKEOWN. I will.

Mr. RAMSEYER. The gentleman in quoting the Constitution left out, as I understood it, the last clause of the provision referred to. The Constitution says:

> If any bill shall not be returned by the President within 10 days (Sundays excepted) after it shall have been presented to him, the same shall be a law, in like manner as if he had signed, unless the Congress by their adjournment prevents its return, in which case it shall not be a law.

I call special attention to this, "in which case it shall not be a law."

Mr. CARTER of Oklahoma. That is the adjournment of Congress; it is not the adjournment of a session of Congress.

Mr. RAMSEYER. I think an adjournment such as we had on July 3 last is an adjournment contemplated in the constitutional provision I just read.

Mr. CARTER of Oklahoma. Will the gentleman yield?

Mr. McKEOWN. I yield.

Mr. CARTER of Oklahoma. Congress has a long session, and then an adjournment, say, in June or July over to the short session. The adjournment of last June or July was not an adjournment of the Sixty-ninth Congress; it was an adjournment of a session of the Sixty-ninth Congress. The adjournment of the Congress comes on March 4.

Mr. RAMSEYER. The adjournment on March 4 is no more of an adjournment within the meaning of this constitutional provision than was the July 3 adjournment. March 4 next marks the end of the Sixty-ninth Congress.

Mr. McKEOWN. If the gentleman's position is correct, the President of the United States could be put at this disadvantage: The Congress might adjourn over from Friday to Tuesday, and the 10 days which the President has to return the bills might expire on Saturday. Therefore, under the gentleman's construction, Congress has adjourned.

Mr. RAMSEYER. But there is a difference between recessing and adjourning.

Mr. McKEOWN. What is the difference? We recess to a day certain, and the other is an adjournment sine die, without date, until the regular term in December, and if you permit that rule of construction to apply, you give the President absolute veto power, as to which the House has no opportunity to express itself. That question came up in the Senate when a bill was introduced in the Senate, providing that he should return them here to the body of origin, and the House evidently thought that was already the law, and if the President can send to the House a message approving a bill, and if he could sign bills after the adjournment of the House, as was so construed by the Attorney General, Mr. Palmer, and send messages to the House to that effect, then certainly the House is here to receive messages with his reasons for not approving a bill.

Mr. RAMSEYER. Mr. Speaker, the gentleman probably knows that very few times have Presidents undertaken to sign bills after such an adjournment as we had on July 3 last. On one occasion a bill was signed by the President after the adjournment of Congress and the following session the question as to the validity of such signing was referred to the House Committee on the Judiciary. I think the gentleman will find in Hinds' Precedents, Volume IV, section 3497, a decision by the Judiciary Committee expressing grave doubt as to the validity of such a signing and the Judiciary Committee reported unanimously that the act so signed by the President after the adjournment of Congress was not in force.

Mr. McKEOWN. But the Supreme Court afterwards held that it was legal for the President to sign after the adjournment of Congress, and said so specifically, and said that we could not hamper the President.

Mr. RAMSEYER. Will the gentleman put that decision in the RECORD?

Mr. McKEOWN. Yes. It is in this brief which has been distributed.

Mr. SINNOTT. Mr. Speaker, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. SINNOTT. The gentleman's position is that the adjournment of Congress is only at the termination of Congress on March 4?

Mr. McKEOWN. That prevents the President's returning a bill.

Mr. SINNOTT. What does the gentleman say of section 3 of Article II of the Constitution—

> he may—

Meaning the President—

> on extraordinary occasions, convene both Houses, or either of them, and in case of disagreement between them, with respect to the time of adjournment, he may adjourn them to such time as he shall think proper.

Is not that an adjournment? That is an adjournment not at the expiration of the Congress.

Mr. McKEOWN. I understand, but that does not take it out of the rule that applies to the Congress, and it has so been construed by the courts.

Mr. HERSEY. The gentleman is asking this Congress to declare that an act passed by this Congress is law. Does not the gentleman think that is a matter for the Supreme Court to put its construction on? Ought not the courts to construe that and not the Congress its own laws?

Mr. McKEOWN. There is no other way in which you can declare it, because you can not go into the courts with this bill.

Mr. HASTINGS. This is an authorization for an appropriation.

Mr. HERSEY. You can go into the courts with it, all right.

Mr. HASTINGS. No; you can not, because it is an authorization for an appropriation.

The SPEAKER. The time of the gentleman from Oklahoma has expired.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that his time be extended for five minutes.

Mr. TILSON. Mr. Speaker, it is an important question that the gentleman from Oklahoma has raised and it is very evident from the discussion thus far that we are not going to settle the matter or throw a great deal of light on it by a lot of impromptu, curbstone opinions that may be given here. It seems to me that we are simply wasting time now by going into a promiscuous discussion of the question. I hope that the gentleman from Oklahoma will be satisfied with the explana-

tion he has made and the brief he has distributed among the Members, and that he will let us go on with the consideration of the appropriation bill.

Mr. McKEOWN. I have no objection to that. I thought I would like to answer the question that the gentleman from Michigan [Mr. CRAMTON] expects to propound, but I shall ask to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. McKEOWN. Referring again to the respective powers of Congress and the President, it is evident to me that no absolute power to veto is conferred upon the President. The Constitution grants the President authority to state his objections in writing. It then makes it the duty of the Congress to act on those objections. Only in case there be objections and that the Congress—not a session of the Congress—has adjourned so the objections can not be returned to the Congress is a bill to fail to become law by nonaction. The inability to return then would be coexistent with inability of Congress to consider the objections. (Harpending *v.* Haight, hereinafter cited.)

It is a standard rule of construction of constitutions, statutes, and contracts that the leading or main intent and purpose is always to be observed and all parts harmonized if possible.

The only manner in which the foregoing primary rule of construction can be given force and effect is by holding that the final phrase in the veto article of the Constitution, "unless the Congress, by their adjournment, prevent its return, in which case it shall not be a law," means the final adjournment not of a session but of the Congress.

The main intent and purpose of the veto clauses is that the President shall have a right to object to a bill. He may say, "I object," but not "I forbid." The framers of the Constitution specifically refused to give the President an absolute veto on legislation. Mr. Wilson, seconded by Mr. Hamilton, moved in the Constitutional Convention—Journal of the Constitutional Convention, page 102—that the Executive be given an absolute negative on all laws. The motion was defeated by a unanimous vote. (Journal, p. 107.)

The Constitution provides the President shall return a bill with his objections and that the Congress shall vote on these objections. This is the main purpose and intent. Ten days was fixed in the Constitution as the time to be allowed the Executive.

Implications are sometimes permitted in statutory construction to aid or further a leading intent or purpose, but never to frustrate it. A construction that if the Congress be in session a written statement of objections must be returned, but that if the Congress be not in session though 10 days or more later the same Congress will be in session, a statement of objections need not be made, gives to this extent an absolute veto power to the President; it overrides and frustrates the main intent and purpose of vesting any power over legislation in the Executive. It makes of silence a greater power than voice. This is again directly subversive and antagonistic to the Constitution, which expressly provides bills shall become laws without Presidential approval if the Presidential "return" with objections be not made to Congress within 10 days.

The Constitution does not require that the President shall act on bills while Congress is in session. It gives the President 10 days in which to act. The 10 days given him can not be foreshortened. Neither can he, on the other hand, abridge the power and duty of Congress to override a veto. As said by the Supreme Court in La Abra Silver Mining Co. *v.* United States (175 U. S. 453), hereafter referred to, as the Constitution "does not restrict the exercise of those functions (Executive action on legislation of Congress) to the particular days on which the two Houses of Congress are actually sitting," the "court can not impose such a restriction upon the Executive." The President accordingly may sign a bill while Congress is not in session, provided he do so within 10 days. It follows as a corollary the President may, within the same time, return the bill to the Congress with his objections unless there be a legal requisite that the Executive return bills only while Congress is in session.

The Constitution contemplates that the Congress shall act on the objections of the President. The only exception to the will of the people as expressed by the Congress becoming a law if the Congress is, by a two-thirds majority, favorable is where "the Congress by their adjournment prevent its return." The Constitution does not say the objections in writing of the Executive shall be returned to the House in which legislation originated while it is in session. There being then in the Constitution no such restriction on the power of return of a bill with objections, none such can be imposed (vide La Abra *v.* United States, supra). A concession that objections can be returned when Congress is not in session necessarily, logically, and inevitably compels a conclusion that the return must be made whenever there is the Congress to which to return it, and there is opportunity remaining for the Congress to override the objections.

It is not every adjournment of Congress that makes a bill fail for want of action under the final clause of the veto section of the Constitution. The Constitution says where the Congress by adjournment prevents its return. The Constitution provides each House of Congress with a Presiding Officer and other officers. It is only a final adjournment that deprives the House of Representatives of a Speaker, and if other officers still exist it is only by sufferance. On the other hand, until final adjournment each House of Congress has official de jure and de facto recognized officers. There is no restriction in the Constitution on the President communicating with Congress through its officers and (vide La Abra *v.* United States) no authority for any other instrument or person to impose such a restriction. It is only, says the Constitution, where "the Congress, by their adjournment, prevent its return," that a bill may fail for executive objection and want of statement of those objections. That prevention can occur only on final adjournment if Congress can be communicated with out of session, and only a final adjournment of the Congress is consistent with the Congress and the people (1) not knowing what the objections are, and (2) expressing by yea-and-nay vote the will of Congress as to the objections.

Referring to the opinion of the Supreme Court of California in Harpending *v.* Haight (39 Calif. 189), I quote from the constitution of that State:

> If any bill shall not be returned within 10 days (Sundays excepted) the same shall be a law in like manner as if he had signed it, unless the legislature, by adjournment, prevent such return.

The court said:

> It is of the deepest public concern * * * of moment far beyond the mere decision of the particular case at bar, that the rights of each (the legislature and the executive) should be absolutely preserved from the possible assault of the other, and that neither, under cover of the performance of its own functions, should be permitted to deprive the other of its just measure of authority, as conferred upon it by the constitution.

The court then proceeded:

> Having reached the conclusion that the facts do not show that the governor returned the bill to the senate within the meaning of the constitution, we proceed to inquire whether "the legislature, by adjournment," prevented such returns, for, if it did, the bill could not become a law by reason of the failure of the governor to return it within the 10 days. We judicially know, and if we did not, we are distinctly informed by the agreed statement of facts, that the late session commenced on Monday, the 6th day of December, 1869, and terminated on the 4th day of April, 1870. The adjournment of the 4th day of April was, in our opinion, the only adjournment which could have prevented the executive from making the required return within the prescribed time.
>
> *This results necessarily from the views we have expressed on the other proposition, in which we hold that the executive may return a bill to the senate, though it be not, at the moment of the return, in actual session.* If it has adjourned for the day, or for three days, it still has an organized existence as a legislative body, with its president, secretary, and other officers, to whom, under such circumstances, a substitutional delivery of the bill and message might be made, and whose official duty it would be to place the bill and message before the senate at as early a time as might be thereafter. Such a return, as we have said, would be the only one permitted by the circumstances, and when the bill should afterwards actually reach the senate, it could then proceed to reconsider it, as required by the constitution in that respect.
>
> But when a final adjournment of the legislature has occurred, there is an end to the organized existence of the senate. It has no longer officers to represent it for any purpose; nor could the bill, in the nature of things, ever be brought to its attention, for it would not be in session thereafter, nor be reconsidered by it, which is the purpose to be attained, for it would be itself no longer existent.

The foregoing case is direct judicial authority for the proposition that absence of the legislature by adjournment does not prevent a return of a bill with a veto message, that the return can be made to officers of an organized legislature, that the machinery of return can not frustrate the main or leading purposes of presentation and return and that it is only final adjournment that harmonizes machinery and purpose of the Constitution, that conforms spirit and letter, each to the other.

The SPEAKER. The resolution is referred to the Committee on the Judiciary.

ENROLLED HOUSE BILLS SIGNED BY THE PRESIDENT

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that this day they presented to the President of the United States, for his approval, the following bills:

H. R. 15008. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1928, and for other purposes; and

H. R. 11616. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

FARM LEGISLATION

Mr. BRAND of Ohio. Mr. Speaker, I ask unanimous consent to insert in the RECORD a resolution passed by the Ohio Legislature memorializing the Congress to attempt to grant farm relief by legislation. The resolution was passed unanimously in the senate of the State of Ohio and with all but one vote in the house. The Legislature of Ohio does not attempt to decide what particular bill should be enacted into law, but that is not surprising, as the Congress, after three years of study, is only now about to decide.

The SPEAKER. The gentleman from Ohio asks unanimous consent to insert in the RECORD a resolution. Is there objection?

There was no objection.

The resolution is as follows:

[House Joint Resolution 2, by Mr. Brown, of Champaign, memorializing Congress to enact proper agricultural relief legislation]

Whereas a combination of circumstances prevailing in the United States since the close of the great World War has ushered in a period of financial loss and depression in agriculture both in the great State of Ohio and the Nation at large; and

Whereas agriculture occupies the position of our one basic industry, on which depends the success of all other industries; first, because it supplies materials upon which depends the employment of over one-half the industrial workers of our land; second, because agriculture supplies one-eighth of the tonnage of the railroad system of the United States and almost one-half of our foreign exports; and third, because the capital invested in agriculture exceeds the capital invested in the industries of quarries, mines, and manufacturing combined; and

Whereas the pages of history furnish unmistakable evidence that the security and prosperity of any nation is in grave danger when its agricultural structure begins to decay: Therefore

Be it resolved by the General Assembly of the State of Ohio, That we, the members of the Ohio General Assembly, memorialize the Congress of the United States to make an earnest effort to enact such legislation at the earliest possible moment as may tend to protect our Nation from the effects of further agricultural decline and offer whatever possible aid toward its recovery as may come within its power and request our Ohio delegation to give such legislation their faithful support.

Mr. BRAND of Ohio. So Ohio is feeling deeply agricultural depression and loss, and she joins the West and the South for equality.

ARMY APPROPRIATION BILL

Mr. BARBOUR. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 16249) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1928, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 16249, with Mr. TILSON in the chair.

The Clerk read the title of the bill.

Mr. BARBOUR. Mr. Chairman, the Committee on Appropriations submits to the House for its consideration the bill making appropriations for the War Department for the fiscal year 1928. The subcommittee of the Committee on Appropriations for the War Department began its hearings on the 8th of December, 1926. It held hearings practically morning and afternoon for a good part of a month. The committee went very carefully into all matters which are affected by this bill. The committee has given to the bill its best efforts and best thought and believes it is a bill which will meet the approval of practically all, if not all, of the Members of the House. In considering the bill the committee has not had the benefit of association with the gentleman from Kansas [Mr. ANTHONY] the chairman of this subcommittee. Mr. ANTHONY has been chairman of this subcommittee practically since its inception.

I say without hesitation that perhaps no man in the House of Representatives has as full and complete an understanding of military matters and military affairs in this country as has the gentleman from Kansas [Mr. ANTHONY]. [Applause.] It has been a source of satisfaction to the members of this subcommittee and has afforded them much instruction to be able to serve under him in connection with Army appropriations; and having served with him on this committee I have felt that his broad knowledge of military matters and military affairs has been a real asset not only to the House of Representatives, but to the entire country. The committee has not had the benefit and assistance of the ranking minority Member [Mr. JOHNSON of Kentucky], but we are all pleased to see he is back here with us at this time in such good health. [Applause.] The committee has had the assistance of the gentleman from Iowa [Mr. DICKINSON] formerly a member of the committee, who rendered real service in the preparation of this bill. The bill carries a total of $357,925,518. The bill for the present fiscal year 1927 carries $347,198,501.16. As compared with 1927 this bill carries $10,727,016 more than the bill for the present fiscal year. As compared with the Budget estimate for 1928 this bill carries $736,024 less than recommended by the Bureau of the Budget. The total amount carried in the bill is divided as follows: For military activities, $279,112,674; for nonmilitary activities, $78,812,844. I want to say frankly to the House that the committee has made several changes in the bill as compared with the estimate submitted originally by the Bureau of the Budget. For instance, the Bureau of the Budget recommended a standing Army of 115,000 men.

For the past four years the committee has recommended and the House has approved a standing Army of 118,750 men. Other cuts were recommended by the Bureau of the Budget in activities which our committee and the entire committee has felt are of the utmost importance and should be carried on. While this bill on its face carries less than the amount recommended by the Bureau of the Budget, several changes are made in the bill, and many of the activities are provided for in excess of the amounts recommended by the Budget. I will explain to the House how these increases were accomplished.

Mr. HASTINGS. Will the gentleman kindly tell us how many men we have in the standing Army at the present time?

Mr. BARBOUR. At the present time, I will state to the gentleman from Oklahoma, there are less than 110,000 enlisted men. The 1927 bill authorized 118,750, and we are about 9,000 below the authorization or the number we appropriated for in that bill.

This bill as it came to the committee carried $5,080,000 for the construction or building program authorized by Congress at the last session. In considering this item for carrying on the construction program and the law which authorized the program the committee found that this $5,080,000 had not been authorized as required in the construction act. The matter was brought to the attention of the Committee on Military Affairs, and a bill is already on the calendar reported from that committee authorizing the appropriation of $5,080,000 to advance the construction program. I am informed that that bill will undoubtedly pass at this session, so that the amount necessary to carry on this construction work will be included in one of the deficiency bills before the Congress adjourns on March 4, next. We were able to effect a saving of $12,000 in rentals of buildings in the District of Columbia. It was found after estimates were prepared that the Quartermaster Corps could get along with less rented space in the District of Columbia and we could thereby effect a saving of $12,000. Carried in the bill was an item for the purchase of land at Fort Marfa, Tex., at a cost of $27,000. This had not been authorized by Congress, and of this amount $15,000 was transferred to Fort Niagara, N. Y., for the purpose of rebuilding and reconstructing that historic fort that stands at the mouth of the Niagara River. We were able to effect savings in other ways. We found when we examined the situation in relation to the Reserve Officers' Training Corps that certain schools and colleges were receiving issue of uniforms from the Government in kind. This issue amounted to about $7 for each uniform. There are certain schools which have Reserve Officers' Training Corps units, which provide distinctive uniforms of their own.

The Government has been paying to these schools a commutation averaging $20 a year for each of these uniforms. The committee thinks that there was, if not discrimination, at least an inequality of treatment of the schools, and we felt that the schools with a private uniform should not receive from the Government any more than the schools which receive the issue in kind. So we inserted in the bill a provision that as to schools which have a private uniform the value of the commutation should be the same as the value of the issue in kind,

and by inserting that provision in the bill we have been able to effect a saving of $314,206, which we have applied to other activities.

Also upon inquiry we found that there was $3,500,000 of unexpended balances left over from the years 1925 and 1926, which were frozen down in the War Department and which had not been used. They had been appropriated, but could not now be used by the War Department. So the committee decided to distribute this $3,500,000 over other activities of the Army, increasing certain amounts, but at the same time keeping the total amount of the bill at less than the amount recommended by the Budget Bureau.

Now that, I think, gentlemen, is a very frank statement of the action taken by the committee to provide for the amounts necessary to increase some of these activities.

Mr. LAZARO. Mr. Chairman, will the gentleman yield?

Mr. BARBOUR. I will.

Mr. LAZARO. Not long ago General O'Reilly, who was of the Rainbow Division, made the statement that our Army was not only being reduced in number but on account of being underfed and not being sheltered properly its morale was being destroyed, and that as a result of that 14,000 men had deserted last year. What has the gentleman to say as to that?

Mr. BARBOUR. I will say to the gentleman from Louisiana that thirteen thousand and some odd men deserted last year. That was not an unusual number. If anything, if was fewer than the number of deserters of the year before. But 5,000 of those men voluntarily returned, so that they could not be classed as deserters, and thus the number of desertions was reduced to a little over 8,000.

Mr. LAZARO. They are not properly fed, and also they are sheltered in temporary quarters that were built during the World War.

Mr. BARBOUR. I will take that up as we go along, I will say to the gentleman from Louisiana, and will give him all the information I have.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. HASTINGS. Is the amount of reappropriation or lapsed appropriations for 1925–26 shown in the totals of this bill?

Mr. BARBOUR. No; but when we reappropriate we write in the bill "so much of such and such an appropriation is hereby reappropriated."

Mr. HASTINGS. Of the amount appropriated in this bill, I do not keep in mind the amount that the gentleman said was carried in the present bill, but was it $357,000,000?

Mr. BARBOUR. Yes; $357,925,000.

Mr. HASTINGS. Is that appropriated in addition?

Mr. BARBOUR. It is.

Now, the matter of greatest importance, in the opinion of the committee, is the matter of the enlisted strength of the Army. The Budget, as I said, provided for an Army of 115,000 men. The committee has recommended during the past four years, and Congress has provided for an army of 118,750 men. The officers of the War Department advised our committee that this reduction in the Army would seriously curtail its activities. At the same time they pointed out that a considerable amount of overhead was just as necessary for an army of 115,000 as for an army of 118,750 men. So the committee recommended and incorporated in the bill an increase of $1,665,068 to raise the enlisted personnel of the Army from 115,000 to 118,750 men.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. BLANTON. Would it not have been easier for the committee and better for the taxpayers of the United States and better for the Government to have cut off the top-heavy part and brought the surplus, unneeded officers down to the enlisted strength rather than to have increased the enlisted strength by 3,750 men up to correspond with the unneeded top-heavy bunch of officers?

Mr. BARBOUR. I will say to the gentleman that we have carried provisions in the bill for several years for 12,000 officers.

Mr. BLANTON. Does the gentleman know how many more officers we have now than we had in 1916?

Mr. BARBOUR. Offhand, I could not state as to that.

Mr. BLANTON. Does the gentleman know how many more enlisted men we now are providing for in this bill than we had in 1916?

Mr. BARBOUR. I think fewer.

Mr. BLANTON. Well, I will tell the gentleman exactly when I discuss this bill.

Mr. LAZARO. Is it not true that when the World War broke out we really lost six months' time because we had to train officers and men?

Mr. BARBOUR. Yes. It is the policy in providing for 12,000 officers to have a group of trained men who in case of emergency can take charge of our troops enlisted to meet that emergency. That is the policy pursued in maintaining an officer strength of 12,000.

Mr. HILL of Alabama. And we are using the officers for a number of activities, such as training the Reserve Corps and the R. O. T. C., provided for in the national defense act of 1920 but which we did not have in 1916?

Mr. BARBOUR. The gentleman has described the situation just as it exists.

Mr. BLANTON. Mr. Chairman, will the gentleman yield a little further right there?

Mr. BARBOUR. Well, I would like to yield, but I have a good deal yet to say.

Mr. BLANTON. Does not the gentleman know that a large number of our Naval officers are landlubbers, and that the social clubs here and elsewhere are overcrowded all the time because many of the naval officers are on land? And the same is the case with the Army, where the surplus, unneeded Army officers are spending their time in social activities in the Nation's Capital and other capitals, and are not putting much time on the Army?

Mr. BARBOUR. So far as the Navy is concerned, I have very little contact with the Navy, but inasmuch as the Congress has provided for an officer personnel of 12,000 for a period of years it was assumed by the committee that that is what the Congress wants. Now, if the Congress wants to reduce that number, it is within the power of the Congress to do it.

Mr. BLANTON. I wish the gentleman would check up our Naval officers in the Medical Corps of the Navy down here in Washington who are practicing medicine daily here in Washington in private practice.

Mr. BARBOUR. Of course, they do not come under this bill.

Mr. BLANTON. Well, I just mention that in connection with matters concerning the Army.

Mr. SNELL. How is the gentleman from California going to check up on the Navy when he has nothing to do with it?

Mr. BLANTON. It would be well for the members of the committee handling appropriations for the Army to check up on some of the other activities of the Government and not be single-track Members of Congress.

Mr. BARBOUR. I will say to the gentleman from Texas that we have committees in the House which control those matters. They would not be within our jurisdiction but within the jurisdiction of such committees.

Mr. BLANTON. I am in hopes your committee will check up all of the departments of the Government.

Mr. BARBOUR. I shall be glad to join the gentleman from Texas in doing that.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. LAGUARDIA. As a matter of fact, to get back to the Army, we have one officer for every 10 enlisted men. Is there any other army in the world or in the history of the world that has a commissioned officer for every 10 enlisted men?

Mr. BARBOUR. I can not give that information as to other armies, but the reason we have these officers has been stated very clearly by the gentleman from Alabama [Mr. HILL], and the Congress has provided for that number of officers from year to year, so the Committee on Appropriations feels it is its duty to see that we shall have the number of officers which the Congress authorizes. If the Congress does not want this number of officers, let Congress reduce the number.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. HILL of Maryland. I do not think it is right that the impression should be created that these officers are in that proportion. Those officers are used for the reserve; they are used for National Guard instruction, and they are absolutely necessary for the scheme of national defense as provided by the national defense act. Everybody knows it is not necessary to have 12,000 officers for 110,000 men purely for the purposes of officering that number of men, but you have your reserve and your National Guard.

Mr. BARBOUR. And you have all of your river and harbor work, in which these Army officers are engaged.

Mr. LAGUARDIA. In all fairness, then, you must add the reserve officers and the National Guard officers, and you still have 1 officer for every 10 enlisted men.

Mr. BARBOUR. I will leave that discussion to the gentleman from Maryland and the gentleman from New York.

Mr. BLANTON. The social leader of the House, Colonel HILL, of Baltimore, came to the rescue of his brother officers.

Mr. SPEAKS. Will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. SPEAKS. In a spirit of fairness to the Army and to the country, I want to offer this observation: No man familiar with the conditions of our Military Establishment will deny that there is an excess of officers; that we are carrying in the commissioned personnel many officers who could be dispensed with without in the least interfering with the efficiency of the Military Establishment or reducing protection to the Nation. I favor a reasonable preparedness system but protest against unwarranted overhead expense.

I believe that those in direct control of the Military Establishment of the Government will consent to a legislative program which will very materially reduce the commissioned personnel of the Army as now constituted.

Mr. BARBOUR. The committee also went into the matter of the Army ration. The Bureau of the Budget recommended an army ration to cost about 35¾ cents per day per man. It was brought to the attention of the committee that this was considerably less than the cost of the Navy and Marine Corps rations. In looking into the matter we found that the Navy and Marine Corps rations, which cost in one instance 50 cents and in the other 55 cents, are fixed by law and that the Army ration is fixed by Executive order. This has been the situation so far as the Army is concerned for the past 18 years. There has been some complaint about the Army ration, and I will state that the Committee on Military Affairs has taken this matter up, has gone into it, and I understand there is now a bill on the Calendar which will place the Army ration somewhere nearly equal to the Navy and Marine Corps ration. But in order to improve conditions for the year 1928 and to take care of the situation, to a certain extent at least, in the event the bill from the Military Affairs Committee fails to become a law, we have increased the Army ration to 40 cents in this bill. It will give the men a greater variety of food and possibly a little better food, and I do not think there will be any objection on the part of anyone to that.

Now, as to the civilian components, the recommendation of the Bureau of the Budget would have allowed the National Guard but 47 armory drills during the year and would have reduced the period of the summer training camps from 15 to 13 days. The national defense act fixes the minimum number of armory drills at 48. We have added to this item $942,530, which will give the National Guard, at its present strength, the 48 armory drills per year, and give them the full 15 days in camp that they have asked for. The National Guard, on September 30, 1926, had a strength of 181,237. This will carry the Guard on at about the same strength and give them the 48 armory drills and the full 15 days at the camp.

Mr. LAGUARDIA. Will the gentleman yield on that point?

Mr. BARBOUR. I yield to the gentleman from New York.

Mr. LAGUARDIA. How much is paid out to National Guard and reserve officers during the training period of 15 days for quarters on the theory that they must pay for quarters when, as a matter of fact, they are under canvas?

Mr. BARBOUR. I will state to the gentleman from New York that when they go on service of that kind they are considered as being in the same status as Regular Army officers, and they get everything that Regular Army officers do.

Mr. LAGUARDIA. And that is just what is making this cost so enormous for the 15-day training period; is not that the fact?

Mr. BARBOUR. I will say to the gentleman from New York, it has been considered that when they go on this service they should be treated the same as Regular Army officers. Whether they should or not is without the province of this committee.

Mr. LAGUARDIA. It is a matter of the construction of the law and not the law itself.

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. BARBOUR. I yield to the gentleman.

Mr. WAINWRIGHT. Does the gentleman know of any reason why the National Guard officer or the reserve officer called on active duty should not get exactly the same emoluments as an officer of the Regular Establishment?

Mr. LAGUARDIA. Of course not.

Mr. BARBOUR. I am going to leave that discussion to the gentlemen from New York.

Mr. LAGUARDIA. The Regular Army officer should not draw allowances for quarters when, as a matter of fact, he is not paying anything for them.

Mr. WAINWRIGHT. My proposition is that the National Guard and the reserve officer when called into active service should be on exactly the same basis.

Mr. LAGUARDIA. There is no difference of opinion about that.

Mr. TOLLEY. Will the gentleman yield?

Mr. BARBOUR. I yield to the gentleman.

Mr. TOLLEY. The gentleman from New York [Mr. LAGUARDIA] makes the assertion that even the Regular Army officers should not receive pay for quarters when under canvas. The gentleman forgets it is necessary for the Army officer to maintain a home for the wife and the other members of the family.

Mr. LAGUARDIA. The gentleman from New York is aware of the fact that the wife and family are in quarters built by the Government, maintained by the Government, lighted by the Government, heated by the Government. If he is not in Government quarters, then, of course, he is entitled to draw an allowance for quarters, but only in that instance. This law is being absolutely torn to pieces by the construction placed upon it by the Army, and that is why you have millions of dollars in this bill that could easily be saved if the law was properly construed.

Mr. BARBOUR. The Organized Reserve has a strength of 105,022 officers. The estimates of the Bureau of the Budget would have allowed the Organized Reserve 13 days' training in their summer camps, whereas they have heretofore always had 15 days' training. We have added enough to the bill, the amount being $446,878, to carry the strength of the Organized Reserve at the same number as at the present time, give them the same number of days in camp, and carry on the same activities as at the present time.

As to civilian military training camps, the Budget estimates provided funds for the training of 31,000 young men during the year 1928, and proposed to cut the ration from 70 cents, which it has heretofore been, to 60 cents.

The citizens' military training camps have been growing institutions. Each year more and more young men have been going to these camps, and they have been wonderfully benefited by them. The committee felt it was not the idea of Congress to reduce or curtail this activity, and we did not think the Congress would want to reduce the amount of food supplied these young men when they go to these camps. They are growing young men and they need a liberal ration. We have provided in the bill for the training of 35,000 young men at the camps, and a sufficient amount to restore the ration to 70 cents, where it has heretofore been.

As for the Reserve Officers' Training Corps, we have added to the bill $47,940 to restore their ration to 70 cents. A recommendation had also been made that it be cut to 60 cents.

We have also provided that 200 officers may attend the service school at Fort Leavenworth, Kans., instead of 100. The amount recommended by the Bureau of the Budget would have limited the number of officers who could have attended the Leavenworth school to 100. Two hundred have been attending the school right along from year to year. It would have required practically the same overhead to maintain the school for 100 officers as it would for 200. So for $47,940 more we can provide for the additional 100. The committee deemed it advisable to add this amount to take care of these additional 100 officers at the Leavenworth school.

We have provided for the purchase of 125 new motor cars at a limit of $1,000 per car. This limit is fixed in the bill.

Of the many automobiles that the Army has to-day practically all of them are left over from war stocks. A considerable number of them are badly out of repair, and many of them are in such condition that it does not even pay to repair them. The Army has a program of restoring its stock of automobiles over a period of 10 years. Nothing was provided in the estimates for new automobiles, but we felt that something should be done in this regard, and we have provided here for 125 new automobiles at not to exceed $1,000 in cost. They may get some exchange value out of some of the old cars they have on hand; in fact, they expect to do so.

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. WAINWRIGHT. Is it not the fact that the Army has bought no new automobiles since the war?

Mr. BARBOUR. I understand that is the fact.

Mr. WAINWRIGHT. And that they are practically using to-day all automobiles of the type in use at the time of the war, which is nearly 10 years ago?

Mr. BARBOUR. I will say that about all you have to do is to look at one of these Army automobiles in use, and you can

pretty nearly tell the model of it, and you may be sure it is not one of the late models in any respect.

The bill carries a provision for 725 mules and draft animals. Pack mules are necessary over trails and through mountains in parts of the country where there are no other means of transportation. Mules are used to pack ammunition and supplies. They need more than 725, and in this bill we have provided for an additional allotment of 725 pack mules and draft animals, which will bring the total up to 1,450.

The Army needs somewhere in the neighborhood of 3,000 horses to keep anywhere near the necessary requirement.

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. BARBOUR. Certainly.

Mr. WAINWRIGHT. Was there any testimony before your committee as to the average age of the horses in the Cavalry and Artillery?

Mr. BARBOUR. Yes; that is fully set out in the hearings.

Mr. WAINWRIGHT. Some of the Artillery horses, I understand, are 20 years old.

Mr. LAGUARDIA. Did they sell the young ones after the war? [Laughter.]

Mr. BARBOUR. I will say in regard to the horses that we have been carrying the horse supply along from year to year at about 3,000. That is not quite sufficient to keep up the requirements. Last year we reappropriated some unexpended funds in the War Department that enabled them to take up a part of the slack; but this year the estimates carried funds for only 500 horses, and we have increased this to an amount sufficient to purchase 2,000.

In regard to horses it is a fact that some of our horses are getting old. You can not always judge of a horse by his age. The question was asked General Snow as to the condition of the Artillery horses. You have perhaps heard and read that the Artillery horses are in such a weakened condition that they could not go through a heavy drill, that they are not strong enough, that they are old and decrepit. General Snow was asked about the Artillery horses at the present time, and he said that in 40 years' experience in the Army he never had seen the Artillery horses in better condition. But, he said, he had some criticism as to their age, that many were getting too old. He was asked what would be the age of an efficient Artillery horse, and he said it depended on the horse; that some horses 17 and 18 years old are better than others that are younger.

I do not think we are providing too many horses, but we are giving the Army an opportunity to maintain a supply of more efficient horses than they otherwise would have.

Now, provision is made in the bill for——

Mr. BLANTON. Before the gentleman gets away from the horses, if you go down to Potomac driveway or through our parks any morning when it is not too cold, you will see some fine Government saddle horses ridden by wives and daughters and lady friends of our Army officers. I want to see our Government furnish the needed horses for the Army, all they need, not 15 or 18 years old or 30 years old, but good horses. A horse when he gets to be 14 or 15 years old is past his best days, but I am not in favor of our Government furnishing the society element of the Army with saddle horses.

Mr. BARBOUR. Neither am I.

Mr. BLANTON. That is what we are doing.

Mr. BARBOUR. Oh, no.

Mr. BLANTON. If you go with me down there on Potomac drive I will show you some day.

Mr. LAGUARDIA. Those horses are owned by the officers, they are not purchased by the Government, and neither are the polo ponies.

Mr. BLANTON. I am not talking about the privately owned horses, because there are some, but I am talking about thoroughbred saddle horses owned by the Government. I know a Government horse when I see one. [Laughter.] I recognize them in the parks and on the Potomac driveway frequently when I am driving around the city.

Mr. BARBOUR. The statement of the gentleman from New York is correct. Many officers buy their own saddle horses.

Mr. BLANTON. Oh, I know we have an admiral in the Navy who spends eleven-tenths of his time raising his own horses for the race tracks. I know that. They are his own private horses. He keeps a stable and he attends the races all over the country. I am not talking about race horses; I am talking about Government riding horses here in daily use for the society part of the Army.

Mr. BARBOUR. Provision is made in the bill for the manufacture of 30,000 gas masks by the Chemical Warfare Service. Last year we started a program of manufacturing a certain number of gas masks each year, and the bill for the present fiscal year provides for 20,000 gas masks.

It is necessary that we have a reserve of gas masks on hand. Up to a year ago the only reserve that we had on hand was the old war supply. Some of those are in fairly good condition, but the Chemical Warfare Service has discovered a method of treating rubber which it believes will extend the life of rubber to from 10 to 20 years; they now feel that they can carry on on a program of production. We have provided for 30,000 gas masks, to be manufactured by the Chemical Warfare Service in 1928.

Another item that we have incorporated in the bill and which was not estimated for by the Budget is that for reconditioning the transport *Grant*. The transport *Grant* was a German passenger ship. As I understand, the ship was interned in this country at the time of the war and was later taken over by the Government, to be used as a transport. The *Grant* is an expensive ship to operate.

Because of that fact she has been tied up for a year or more at the transport wharves in San Francisco, rendering no service. At the same time we are running on the San Francisco-Manila route the old Army transport *Thomas*, of the Spanish-American War days. She was a cattle boat before that war and was taken over and made into a transport. She has been a good old ship, but she has about served her period of usefulness. Because of her age the War Department feels that they should have a newer and more up-to-date ship to replace the *Thomas*. For $400,000 we can change the *Grant* from a coal burner to an oil burner, so that she can be economically operated. She is a much faster ship than the *Thomas*, roomier and more comfortable in every way. For the $400,000 we can have a modern, up-to-date transport, and if the War Department feels that it no longer needs the services of the *Thomas*, she could probably be sold for more than enough to pay for the reconditioning of the *Grant*. In any event, we will have two transports for $400,000, whereas we now have but one.

We have increased the expenses of courts-martial in the Judge Advocate General's office to the extent of $55,000. In these court-martial trials, and there are a great many of them held during the year, much of the testimony has to be written down in longhand. There is hardly a court in the country that takes testimony in an important case nowadays in longhand. Even many of our justice courts, when they have preliminary examinations of cases of importance, have a shorthand reporter, but the Judge Advocate General's Department has been getting along in many of these court-martial cases in the old-fashioned way. The $55,000 additional will give them an opportunity to employ shorthand reporters in those trials and I think it will be better in every way. You will have a better and more satisfactory record of the case. It frequently happens that Members of Congress are required to go to the War Department and look into the records of court-martial cases. I think it will be more satisfactory all around to have those cases reported in shorthand.

A reduction was made in the estimates for experimentation in the Ordnance Department. That department has been doing some rather remarkable work in the last few years, particularly in the line of antiaircraft fire. A few years ago it was more or less generally believed that you could not hit anything with an antiaircraft gun. Since that time they have made real progress in antiaircraft fire, and the committee deemed it advisable to allow them to carry those experiments on. Last fall at tests at Aberdeen they shot down 15 targets at altitudes of from six to ten thousand feet with 3-inch guns, and at from 1,500 to 3,000 feet with machine guns. That demonstrates that antiaircraft fire can be effective, and if they have accomplished that much we think that they ought to be encouraged to go further. They have developed and are developing an instrument or device for range finding in antiaircraft fire. We are told that it operates quite simply. All of the work is done by the machine. Two telescopes on the instrument are leveled on the target, and certain calculations are turned out by the machine which give you the range, altitude, direction, and everything needed to point the gun exactly on the target. Those are some of the things that they are doing, and we think the work should be carried on. We have increased the item for experimentation by $318,000.

We have allowed $90,000 for installing fire control of seacoast batteries in the United States. Nothing was estimated for that activity. There are three coast batteries at which the work of installing fire control should be carried on—at Sandy Hook, Chesapeake Bay, and Los Angeles. They will need about six or seven hundred thousand dollars to complete this work. We are providing $90,000 to carry the work along. We provided $25,000 so that the Army may engage in joint maneuvers with the Navy off the New England coast this coming summer. That is a matter that came up after the

estimates were prepared. The Navy invited the Army to join them in these maneuvers. They furnish valuable experience and are worth while in every way.

We have increased the appropriations for the United States Military Academy at West Point by $361,000. Members will perhaps recall that a few years ago we authorized the building of a new mess hall at West Point to cost about $1,800,000, That was to be built over a period of five years. They found that by completing the building in a shorter time they could not only save money, but would have the use of the building at an earlier date. Last year we doubled the annual appropriation that we had previously carried and gave them as much money as had previously been appropriated in two years. This year the estimates were for single year again, so we have provided $361,000 additional. This will complete the mess hall at West Point one year earlier, and Colonel Timberlake in charge of construction assures the committee that he will save the Government $60,000 by our letting him have $361,000 this year instead of next.

Mr. GREEN of Florida. Will the gentleman yield?

Mr. BARBOUR. I will.

Mr. GREEN of Florida. Did the gentleman's committee discuss the advisability of increasing the number of cadets at West Point?

Mr. BARBOUR. No. There were authorized last year 40 additional cadets for sons of men who were killed in the World War. The authorization for an increased number of cadets would have to come from the Committee on Military Affairs. That matter may be before that committee.

Mr. HILL of Alabama. Will the gentleman yield?

Mr. BARBOUR. I will.

Mr. HILL of Alabama. If you should make any substantial increase in the number do you not practically eliminate any man getting into the Army as an officer other than through the West Point route?

Mr. BARBOUR. It would have that tendency.

Mr. HILL of Alabama. In other words, it would greatly lessen the opportunity of men from the ranks becoming officers?

Mr. BARBOUR. I think it would have that tendency.

Mr. BLANTON. I feel sorry for the officer in the Army who climbs up on merit and does not come from West Point, and I feel sorry for the officer in the Navy who climbs up on merit and not through Annapolis, because there is a social class distinction in cases that absolutely ostracizes him from social equality with certain officers after he gets his high commissions. I have complaint after complaint in my office and have watched the proceedings down in the Navy Department and in the War Department, and I know whereof I speak on that question.

Mr. WAINWRIGHT. Is it not a fact that to-day more than one-half the officers of the Army are not cadets of West Point?

Mr. BLANTON. I know there is a lot of such class distinction, and they feel it at many social functions.

Mr. LaGUARDIA. They do not get in the service schools.

Mr. WAINWRIGHT. I will say, if the gentleman will permit, take the Spanish-American War veterans who are in the Army to-day. They have occupied proportionately just as many positions of responsibility in the General Staff and, I think, in high command as cadets from West Point, and there is just as large a portion of men in our war colleges who have come in from sources other than West Point as there are West Point cadets.

Mr. BARBOUR. I will say this: One very interesting matter appears in the hearings of the committee. There was a major who testified to the committee in regard to Fort Leavenworth Service School. The question was asked by a member of the committee, What chance has an officer who has risen from the ranks to get into that school? He said, "I entered the Army as an enlisted man, and I am a concrete example. I expect to go to that school very soon."

Mr. BLANTON. But had not yet.

Mr. BARBOUR. He is going.

Mr. BLANTON. He was living in hopes anyway. If the gentleman "will give way" for a minute there, we rather expect the gentleman from New York to be the spokesman of the Army and Navy officers by reason of the services he has had in the War Department.

Mr. WAINWRIGHT. Far be it from me to assume any such position. May I call attention to one specific example of an officer who rose from the ranks, and that is Major General Harbord, who was an enlisted man and rose from position to position until he was, next to Pershing, the most distinguished officer in the World War.

Mr. McMILLAN. And Major General Wood is another illustration.

Mr. SHALLENBERGER. If the gentleman will permit, I can give a personal illustration. I have a son who is in the Army and who did not go through West Point. He is in the Staff School at Leavenworth, and has been appointed on the staff in this city.

Mr. BARBOUR. How did he go in?

Mr. SHALLENBERGER. He went in the National Guard.

Mr. WAINWRIGHT. I wish the gentleman from Texas would admit he is wrong for once.

Mr. BLANTON. Of course, there are some officers who have not been ostracized. I wish the gentleman from New York [Mr. WAINWRIGHT] would come to my office and see the protests I have on file by men who feel that their rights have been denied them because they did not come through Annapolis or West Point.

A MEMBER. And I call attention to General Hines, of the Veterans' Bureau.

Mr. DEAL. Mr. Chairman, I want to say that for once I am in accord with the gentleman from Texas. I have had protests coming to me continually. While there are a number of men who have risen from the ranks and become commissioned officers, there are a great number suffering the ostracism of which the gentleman from Texas spoke.

Mr. BARBOUR. May I say this in that connection: I do not think there is a Member of the House who would attempt to excuse or justify any discrimination in the treatment of our officers. If an enlisted man has got it in him to become an officer he should be accepted on the same footing as the man who comes out of West Point. [Applause.]

Another item which the Members of Congress have heard about more or less through the mail is that providing ammunition for civilian rifle clubs. Since the war the Government has been furnishing a certain number of rounds of ammunition annually to the 1,600 rifle clubs throughout the country. If that practice is continued, we must now appropriate money to supply the ammunition. To furnish the same quantity as heretofore would require an appropriation of $233,000. The purchase of ammunition for this purpose is a matter that the House has not yet passed upon, so we have included in the bill an item of $100,000 for the purchase of ammunition. That will give to the House an opportunity to decide whether it wants to continue this activity.

Mr. GREEN of Florida. Is the ammunition supplied for the National Guard in about the same quantity as heretofore?

Mr. BARBOUR. Some money will have to be appropriated for ammunition for the National Guard.

Two hundred thousand dollars is recommended to purchase headstones for unmarked graves of veteran soldiers. The War Department reported to the committee last year that it was falling behind in the matter of furnishing these headstones. We increased the item last year $30,000 in order to catch up in supplying some of these headstones. They tell us that a short time ago there was broadcast over the radio the information that the headstones could be had by filing applications with the War Department. The number of applications has greatly increased. This year, in order to enable them more nearly to meet the number of applications coming in, it will be necessary to have a still greater increase, and in this appropriation we have given them $60,000 additional, or $200,000 in all.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield there?

Mr. BARBOUR. Yes.

Mr. BANKHEAD. My experience, of course, is somewhat similar to that of other gentlemen as to these applications. I will ask the gentleman if these are of the same type of headstones as those furnished to soldiers in Arlington?

Mr. BARBOUR. They are about the same type. They cost about $8 apiece, and the War Department pays for the cost of transportation to the place where they are to be set up. I do not think they are elaborate headstones. They are very plain, and if my recollection is correct there is a description of them contained in the hearings. I know there is a description of the World War veterans' headstones contained in the hearings.

Mr. BRIGHAM. I understand they are all on the same basis as the veterans of the Civil War and the Spanish War, with regard to headstones?

Mr. BARBOUR. Yes; on the same basis.

Mr. WAINWRIGHT. I know of a case which recently came up where a Grand Army post wanted three headstones for three graves, where they found that all the War Department would do was to give them the headstones without covering the cost of transportation and installation. In the case of veterans of the Civil War and of the Spanish-American War, does not the Government not only provide the headstones but covers the cost of transportation and installation?

Mr. BARBOUR. I think it is shown in the hearings that that is done.

Mr. ROBSION of Kentucky. I understand that in every case of that kind the Government does pay the cost of transportation.

Mr. BARBOUR. That is the testimony, I believe, before the committee.

Mr. ROBSION of Kentucky. I get a great many letters and telegrams from persons interested in providing an adequate sum to take care of the National Guard.

Mr. BARBOUR. Yes.

Mr. ROBSION of Kentucky. I see from reading the report on page 11 you have reduced the amount by $949,266 less than the current appropriation. I would like to know what change has taken place or is contemplated to justify that much of a reduction for the National Guard?

Mr. BARBOUR. There is a reduction of $949,266 in the bill as compared with 1927. The Militia Bureau officers at the War Department assure us that they will be able to take care of them. Then I will say this to the gentleman from Kentucky, that there is a carry over in excess of $1,000,000 from last year which also will be available.

Mr. ROBSION of Kentucky. So that they will carry over——

Mr. HILL of Maryland. There is no reduction at all, really.

Mr. BARBOUR. Yes; there is a reduction. Taking into consideration the carry over, the difference will be around $650,000.

Mr. HILL of Alabama. There will be a balance of $1,305,780 carried over, and that will enable the National Guard to do in the coming year what it has done in the current year.

Mr. WAINWRIGHT. The gentleman referred to an increase of $942,530 in the Budget estimate. Apparently that is the amount by which the total estimate is increased?

Mr. BARBOUR. Yes.

Mr. LAZARO. Can the gentleman tell the House the difference between the Army provided in the national defense act of 1920 for the National Guard at that time and now?

Mr. BARBOUR. Offhand I do not recall the figures in the national defense act. It provides for 280,000 for the Regular Army and for the National Guard 250,000, I believe. We are carrying it along at much less than those figures.

Mr. LAZARO. Is the committee satisfied?

Mr. BARBOUR. I believe so.

The CHAIRMAN. The gentleman from California has consumed one hour.

Mr. BRIGGS and Mr. McSWAIN rose.

The CHAIRMAN. Does the gentleman yield; and if so, to whom?

Mr. BARBOUR. I will yield, first, to the gentleman from Texas.

Mr. BRIGGS. I want to ask the gentleman whether the appropriation carried in the present bill meets the requirements that were presented to the committee concerning the Officers' Reserve Corps?

Mr. BARBOUR. Absolutely. The officer representing that organization was in my office this morning and told me he had sent out a telegram to the officers in charge of each station of the reserve, stating that the headquarters organization here in Washington was well satisfied with this bill, both as to the Officers' Reserve Corps and with respect to other activities.

Mr. BRIGGS. Has the committee provided for the Air Service as well as other features of the five-year program?

Mr. BARBOUR. Yes. The provision made for the Air Corps will enable that activity to carry out the program very satisfactorily. We will be short 60 bombing planes of the first year's increment, but they are not yet ready to go ahead with the construction of those planes. They feel they can improve the present planes. Provision also has been made for 20 attack planes, estimated for but a few days ago.

Mr. BRIGGS. How about those?

Mr. BARBOUR. They were requested in a supplemental estimate, involving an estimate of $495,000 in the contract authorization.

Mr. BRIGGS. Is that in the bill as a supplemental estimate?

Mr. BARBOUR. Yes. Instead of carrying a contract authorization of $4,000,000, as recommended in the Budget originally, the bill carries $4,495,000, and the $495,000 is for the attack planes.

Mr. McSWAIN. I would like to inquire of the gentleman from California as to the construction he puts on the language on page 82 of the bill for headstones for Confederate soldiers. It has been the policy of the War Department heretofore to restrict the furnishing of headstones to Confederate soldiers to those who are buried in the national cemeteries.

Mr. BARBOUR. I understand that has been the policy. Whether that is the correct policy or not, I do not know.

Mr. McSWAIN. It seems to me the language of this bill is broad enough to include any Confederate soldier buried in a village cemetery anywhere, because the first part of the paragraph provides:

> For continuing the work of furnishing headstones of durable stone or other durable material for unmarked graves of Union and Confederate soldiers, sailors, and marines, and soldiers, sailors, and marines of all other wars in national, post, city, town, and village cemeteries.

Mr. BARBOUR. That would seem to take them all in.

Mr. McSWAIN. And is that the intention of the committee?

Mr. BARBOUR. That is my understanding of it.

Mr. JEFFERS. Will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. JEFFERS. Returning a moment to the question of reserve officers, what information did the gentleman say had been sent out to the country and to the several States regarding that?

Mr. BARBOUR. That the provisions of the bill were entirely satisfactory to the representatives of the reserve officers' organization here in Washington, not only as to the Organized Reserve but as to all of their activities.

Mr. JEFFERS. To their representatives here?

Mr. BARBOUR. Yes.

Mr. JEFFERS. And to whom did the gentleman say that information had been sent?

Mr. BARBOUR. I understand it has been sent to the heads of the reserve officers' organizations in the various States.

Mr. JEFFERS. Will the gentleman explain to the House again who sent out that information from here?

Mr. BARBOUR. Colonel Johnson told me he had sent it.

Mr. JEFFERS. Will the gentleman state who Colonel Johnson is, so we will know that?

Mr. BARBOUR. I understand he is the representative of the reserve officers' organization here in Washington. And I will say this to the gentleman, that we had before the committee a large delegation of reserve officers, coming from many parts of the country—Oklahoma, Kentucky, New Hampshire, Ohio, and various places—and from what Colonel Johnson has told me, I feel sure our action is quite satisfactory to those representative officers of the reserve.

Mr. JEFFERS. And Colonel Johnson is the secretary of the organization and handles the clerical work here?

Mr. BARBOUR. I understand so.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. ROBSION of Kentucky. I am very much interested in having an adequate appropriation for the National Guard. The chairman has stated that the amount provided is satisfactory to the National Guard.

Mr. BARBOUR. And the Militia Bureau.

Mr. ROBSION of Kentucky. On what does the gentleman base that statement?

Mr. BARBOUR. On reports that have come to me. I will say this, that the gentleman from Minnesota [Mr. CLAGUE] and I talked to one of the officers of the Militia Bureau a few days ago, when we were marking up the bill, and he expressed himself as to some of the items and said they could get along very well with the items as provided. He seemed to be very well satisfied with the provisions in the bill.

Mr. ROBSION of Kentucky. Do they not have a national association here also?

Mr. BARBOUR. Yes.

Mr. ROBSION of Kentucky. How does the amount allowed correspond with the amount represented as needed by that association?

Mr. BARBOUR. I have not heard from this association since the bill was written up. Of course, all activities would like to get more money if they could, but they can get along fairly well, in fact, very well, with what has been allowed.

Mr. ROBSION of Kentucky. This will take care of the National Guard?

Mr. BARBOUR. This will take care of the National Guard. The gentleman from Maryland [Mr. HILL] is a National Guard officer.

Mr. HILL of Maryland. I used to be. I want to ask the gentleman a question in reference to the National Guard. The amount recommended by the Budget would have only provided 47 armory drills instead of the 48 which were desired?

Mr. BARBOUR. That is correct.

Mr. HILL of Maryland. Your committee in this bill has changed that provision and made adequate provision so that they can get the 48 armory drills which they should have?

Mr. BARBOUR. Yes; and we give them the 15 days at the camps in the summer.

Mr. HILL of Maryland. As I understand it, the National Guard items are all that are necessary and are all that are desired?

Mr. BARBOUR. That is my understanding.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. LAGUARDIA. It is not fair to the National Guard to say that if the full amount were not appropriated they would not drill. The gentleman does not want the RECORD to stand in that way?

Mr. HILL of Maryland. I do not think I said that.

Mr. LAGUARDIA. I maintain that the National Guard would drill whether you appropriated this money or not.

Mr. HILL of Maryland. When I used to be a member of the National Guard we never got any pay and we drilled.

Mr. BARBOUR. And you were penalized if you did not drill?

Mr. HILL of Maryland. Yes.

Mr. LAGUARDIA. And that was a real National Guard in the real sense of the word.

Mr. HILL of Maryland. I am one who came up from the ranks and I was never socially ostracized. I was a private.

Mr. BRIGGS. Will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. BRIGGS. I want to ask the gentleman whether the appropriations carried in this bill are based upon an Army having a strength of 118,000 men?

Mr. BARBOUR. One hundred and eighteen thousand seven hundred and fifty.

Mr. BRIGGS. And provides progressive provisions with reference to the Air Service rather than a reduction of the regular authorized strength?

Mr. BARBOUR. The Air Service is given an increase to $5,346,300, and a contract authorization of practically $4,500,000 in addition. The Air Corps officers assure us they will be well able to take care of the first year's increment.

Mr. BRIGGS. And the increase in that respect is not at the expense of the rest of the service?

Mr. BARBOUR. Not now; no.

Mr. JAMES. Will the gentleman yield for a question?

Mr. BARBOUR. I yield to the gentleman.

Mr. JAMES. When the House passed the Air Service bill, we stated in the bill, as well as in the report, and it was understood by the House, that the 6,242 men for this service were in addition to the 118,750.

Mr. BARBOUR. Yes; that is stated in the bill.

Mr. JAMES. In my conversation with the gentleman from California, he told me he had voted for the bill with that understanding, and that there was not any doubt about it so far as the Committee on Appropriations was concerned, and that the 6,240 would be appropriated for outside of the 118,750 as fast as the air force showed a need for the men.

Mr. BARBOUR. That is our understanding of it in the Committee on Appropriations.

Mr. HARRISON. Will the gentleman yield to me?

Mr. BARBOUR. Judge, I would like to go along. I have used over an hour now and I am trespassing upon the time of other gentlemen who wish to speak.

Mr. HARRISON. I just want to correct a statement which the gentleman made.

Mr. BARBOUR. I will be very glad to have the gentleman correct any statement.

Mr. HARRISON. The gentleman stated that the 118,750 provided for the Army is not at the expense of the Air Service.

Mr. BARBOUR. Not now. The Air Service is not provided for at the expense of the enlisted personnel. I will say to the gentleman from Texas [Mr. BRIGGS] that under this bill we do not provide for the 1,248 additional men in the Air Service in addition to the 118,750. This is the first year of the program, and they have got to do a lot of work to get the program under way. We felt that with this increase of 3,750 men over and above the number provided for by the Budget estimate, they could, over the period of the year, carry on their enlistments in a way that could absorb the 1,248 out of the 118,750.

Mr. HILL of Maryland. The original plan of the Budget was that there should be only 115,000, including the 1,248 for the first increment.

Mr. BARBOUR. That is correct.

Mr. BRIGGS. And the rest of the service will not be impaired because ultimate provision for the increase authorized for the Air Service is separate and apart from the strength of 118,750.

Mr. BARBOUR. In the opinion of the committee, not at all.

Mr. JAMES. Will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. JAMES. And under your proposed appropriation you have made it possible for the Army to have at the end of the year 118,750 plus——

Mr. BARBOUR. Plus the 1,248.

Mr. JAMES. If the War Department will use a little discretion.

Mr. BARBOUR. Yes; it is a matter of administration down there.

Now, there are just one or two other items that I wish to call attention to, and one is the item of roads and trails in Alaska.

For some time they have been building a road from Fairbanks to Circle City. There is a stretch of 32 miles out of Fairbanks that is completed. It is not a paved road; it is just a gravel and dirt road. There is another stretch out of Chatanika of 32 miles which is finished. There is still another stretch of 55 miles out of Circle City that is completed. Last year we gave them $400,000 to carry on the work of completing the road. This year the estimates carried nothing. If we do not complete the road, the money we have already put in there is lost. They can not travel over that road at the present time except with dog sleds and sleighs in the winter time. In the summer time they can not travel over it at all.

There is a very great mining development going on in this district between Fairbanks and Chatanika, and the figures presented to our committee show that the business that will come from these companies will increase the revenues of the Alaska Railroad 80 per cent. The manager of the railroad, as I understand, has made the statement that if he can double the present revenues of the Alaska Railroad he will take the railroad out of red ink and put it on the right side of the ledger. Here is an opportunity to develop a feeder for this road, and if the Alaska Railroad is ever going to pay its way it must have feeders. I understand these companies are investing large sums of money in this district between Fairbanks and Circle City, and, in the opinion of the committee, it is the most promising feeder there is anywhere along the line of the railroad. For this reason we have provided $200,000 to carry on the work of this road.

Mr. WAINWRIGHT. Will the gentleman yield for just one question?

Mr. BARBOUR. Yes.

Mr. WAINWRIGHT. Has the gentleman called attention to the increase made for the civilian military-training camps?

Mr. BARBOUR. Yes.

In conclusion, I wish to thank the gentlemen for their attention to this long and necessarily rather dry statement, and I wish to give emphasis to the idea which dominated the committee in preparing this bill, and that is that the Committee on Appropriations, supported by the House of Representatives, had struck a sort of level in military appropriations. It was our opinion that the House, having for the past four years voted for an Army of 118,750 men, we should carry on an Army of that size until the House indicated it desired an Army of a different size. [Applause.]

Mr. BLAND. Will the gentleman yield for a question?

Mr. BARBOUR. I yield for a question, although I should like to be pardoned for not yielding to a lengthy interruption, because I am trespassing upon the time of other Members.

Mr. BLAND. Does the committee undertake to make any changes in existing law?

Mr. BARBOUR. Not at all.

Mr. BLAND. May I ask one other question?

Mr. BARBOUR. Certainly.

Mr. BLAND. Has the committee given consideration to the policy of building quarters out of the proceeds from the sale of separate real estate and the amount of time that will be required to provide adequate facilities for the Army if that policy is pursued?

Mr. BARBOUR. I wish to say to the gentleman from Virginia that this committee is heartily in favor of carrying on that building program at the most rapid rate possible.

Mr. BLAND. How long will it take us to provide adequate facilities if we are going to get the money from the sale of surplus real estate? The men are now living in shacks and tents.

Mr. BARBOUR. Of course, that is a matter that will have to be brought up in a different way. I presume it will have to be authorized.

Mr. BLAND. I presume that is true. I simply wanted to get the idea of the committee about it.

Mr. BARBOUR. I will state to the gentleman from Virginia, as I said a moment ago, that this committee is strongly in favor of a building program. We realize that some of the buildings that the men are compelled to live in are entirely unsuited as quarters and that they should be given decent places in which to live.

Mr. BLAND. The point I make is that the present building program will take a very long time, and these men will have to remain in cabins and tents when proper provision should be made for them.

Mr. BARBOUR. Speaking for myself I should be glad to see the program completed at the earliest possible time.

Mr. JAMES. Will the gentleman yield?

Mr. BARBOUR. I will.

Mr. JAMES. We have reported out a bill for $5,000,000, which includes all the money received from the sale of real estate, and $1,400,000 from the Treasury. We think the Army ought to be housed in 10 years and we would be glad to report out an authorization of $10,000,000 each year if we had the sympathy of the gentleman from California and the other members of his committee.

Mr. BARBOUR. Of course, I can not speak for the other members of the committee.

Mr. JAMES. What does the gentleman from California think about it?

Mr. BARBOUR. I should like to have some time to consider it.

Mr. JAMES. We do not want to report out an authorization of $10,000,000 and then only have $5,000,000 appropriated.

Mr. BARBOUR. I think the relations between our committee and the Committee on Military Affairs are very friendly and we have never hesitated to confer on these matters. I should be glad to confer on any matter with the Military Affairs Committee, but what we would do or want to do I can not say at this time.

Mr. JAMES. I am talking about the enlisted men who live in tents and temporary barracks.

Mr. BARBOUR. Of course, they should be housed.

Mr. JAMES. Every man living in temporary quarters should be housed as soon as possible.

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. BARBOUR. I will yield to the gentleman.

Mr. WAINWRIGHT. Is it not a fact that at the present rate at which we are carrying out the housing program it will take nearly 20 years, and that it will be a saving of $30,000,000 if we house them as soon as possible?

Mr. BARBOUR. There would be a saving in doing the work in a shorter time.

Mr. JEFFERS. Will the gentleman state what was the testimony before the committee as to the length of time that the proper housing will take if we keep on at this rate?

Mr. WAINWRIGHT. About 20 years.

Mr. BARBOUR. It has been the understanding of our committee that the Army should be carried at 118,750 men unless the House should otherwise direct. We feel too in our committee that the provision as to the Air Corps act should be carried out to the letter as enacted [applause]; that the added increment of personnel of the Air Corps should not be taken from the other branches of the Army, and that the training activities should not be curtailed unless conditions arise that would make that course advisable. We feel that there should be a definite program with regard to the Army and that that program should be carried out and not have a certain amount appropriated one year to carry on an activity and another amount another year. Such a course neither makes for economy nor efficiency. We are hopeful that some such program from now on will be carried out so that Members of Congress will have a general idea of what our Army will be until Congress decides that it wants something different. [Applause.]

Mr. WEFALD. Will the gentleman yield?

Mr. BARBOUR. I will.

Mr. WEFALD. It is reported that the desertions in the Army are 7 per cent of the personnel. Is that due to the fact that military life is painted to be more rosy than it is?

Mr. BARBOUR. We asked in the hearings what that was due to, and the officers said it was difficult to ascribe it to any particular cause. Some men will not stay put anywhere; they want to be wandering about, and even an enlistment will not hold them. Other men are dissatisfied and find that Army life is not what they thought it was. There are many causes that contribute to the number of desertions. We are hopeful that the increase of rations will to some extent lessen the annual number of desertions.

Mr. WEFALD. Does not the gentleman think that one of the causes is the misrepresentation of Army life?

Mr. BARBOUR. I am not prepared to admit that.

Mr. WEFALD. The Army life is misrepresented to them.

Mr. BARBOUR. Oh, no; I do not subscribe to that, because I do not know. I do think that many go into the Army and find that it is not what they thought it was. I would not subscribe to the statement that it is on account of misrepresentation, because I do not know. [Applause.]

Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. CRAMTON].

Mr. CRAMTON. Mr. Chairman, I am sure the Committee of the Whole must all have greatly appreciated the splendid statement that has been made by the gentleman from California [Mr. BARBOUR] who has for the first time performed the responsible duties of chairman of the subcommittee. He has demonstrated a remarkable familiarity with the many and intricate problems of this important supply bill.

I have risen particularly to make some reference to the gentleman from Kansas [Mr. ANTHONY] supplementing what has been said by the gentleman from California [Mr. BARBOUR]. It was my fortune when he first came to the Committee on Appropriations to be associated with the gentleman from Kansas [Mr. ANTHONY] on the subcommittee in charge of the Army appropriation bill. We have served six or seven years together on the Appropriations Committee. That service has created in me not only a very real affection for the gentleman from Kansas, but has given me a deep realization of his splendid ability, his independence of character, his devotion to his work, the kindly way in which he treats all on the floor and elsewhere, and his zeal for a real program of preparedness.

Of course all members of the House have been very much distressed by his illness which has prevented his attendance at this session, and that distress was intensified when we read in the press a little while ago a statement to the effect that Mr. ANTHONY had announced his purpose to retire from Congress, regardless of the condition of his health, following the term to which he has just been elected.

I wrote my friend when my attention was brought to that statement, and, in addition to expressing my regret at the alleged condition of his health, expressed my great regret that the country was to lose his services in the Congress. I have a letter this morning from Mr. ANTHONY, who is at Tucson, Ariz., which I think will be of much interest to the Members of the House. I shall read this paragraph, which I am sure will give much pleasure to Members and to others in the country who have appreciated the great services of the gentleman from Kansas. He says:

> I note your reference to a newspaper article which, they tell me, appeared in the Washington Star about a week ago, in which it was stated that I had made an announcement that I would not plan to seek reelection, and, furthermore, that it was impossible for me to recover from my illness and that I was not gaining down in Arizona, etc., and, incidentally, proceeding to bring out the names of several candidates for Congress in my district. As I have never made a statement to anybody about whether I would run again or not, and inasmuch as the last few weeks have been most encouraging in the gains I have been making in my battle down here, I feel quite confident that I will be back in Kansas in the spring or early summer in fairly good physical condition.

[Applause.]

I shall not comment at this time as to how such a statement could have secured publication, but I have thought the House would be much interested in this good word as to the progress of our friend toward renewed health, and the hope that it holds out that the country will continue to have his services in this House. [Applause.]

Mr. HARRISON. Mr. Chairman, the gentleman from California has gone into so much detail in regard to this bill that I expect to touch only the high spots.

The bill before the House is a practical duplication of the 1927 appropriation bill.

That appropriation bill was carefully prepared when, in addition to the present membership of the subcommittee, we had the benefit of the long experience and wide vision of Chairman ANTHONY and Mr. BEN JOHNSON of Kentucky. When Congress and the committee enacted that appropriation bill into law they believed they had practically standardized the Army appropriation bill. It became a law on April 15, 1926, about nine months ago, and went into operation on the 1st day of July, 1926.

Practically the same conditions exist to-day as existed at the date of its enactment. But after the enactment of that bill Congress passed certain laws in the exercise of its discretion for greater national security which have placed additional burdens on the Army funds. I may notice some of them here:

(1) The pay of retired officers over 45 years	$10,000
(2) Making warrant officers of field clerks	343,790
(3) Giving enlisted men temporary absent rental and subsistence allowances	50,000
(4) An enlarged aircraft development.	

This will add to the Army personnel something like 1,250 men, and it otherwise increased substantially the cost of the Army.

(5) The appropriation to construct barracks, to repair the hospital at Hawaii, and other repairs of the most peremptory character, over $4,000,000.

This appropriation, however, was specifically directed by Congress to be paid out of the proceeds of the sale of abandoned posts and property declared to be surplus, constituting what is known as the building fund. These laws were all passed too late in the session to secure the necessary appropriation to carry them into effect. The result was that after the 1st of July, 1926, it became evident that the Army must run a deficiency or must cut materially those provisions of the Army appropriation which were enacted to maintain the Army in its standardized form. President Coolidge insisted on the latter course, and the result has been that the Army has been greatly curtailed in all of its activities and is in a more or less demoralized condition.

When the Budget committee made its estimate with regard to the appropriation of 1928 it not only contained all the burdens that were imposed by the legislation I have referred to but charged against the Army appropriation the full $4,000,000 which was by the express language of the statute to be paid out of the building fund and which ought not to have been brought into this bill at all, because it had not received the authorization which the statute itself required.

As I have said, this bill simply eliminates the construction items which have no proper place in this bill, makes necessary changes to meet the increased burdens imposed by the legislation to which I have referred, and with the few changes to be presently noted reenacts the appropriation act of 1927.

I believe most of the Members of this body will agree with me that any great organization, such as the Army, ought to be given a stable policy if efficiency is desired. Fluctuations in strength, make-up, and policy from year to year, or, as in this case, from month to month, is bound to disturb the morale of the Army and bring uncertainty into all plans for the future.

The national defense act was passed after great consideration and prolonged debate in both Houses of Congress. The Army was made by that act to consist of several components: (1) The Regular Army; (2) the National Guard; (3) the Organized Reserves.

Mr. LAZARO. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Yes.

Mr. LAZARO. Then it is plain from the gentleman's statement that we are getting away from the act of 1920.

Mr. HARRISON. Yes; by the cuts that the Budget proposes to make.

Mr. LAZARO. By reducing the appropriation?

Mr. HARRISON. By reducing the appropriation we are actually repealing the national defense act, which, as I have said, was adopted after prolonged debate and most careful consideration, when we had the war before us as an object lesson.

In addition to the component parts of the Army I have referred to, the national defense act provided for civilian military training camps and for instruction in approved schools, and perhaps for some other minor activities. The varying strength of these several component parts was, of course, to be regulated by the policy adopted in the appropriation bills.

For the last several years the policy of Congress in its appropriation bills has crystalized to provide for a Regular Army of 118,750 officers and men, the National Guard to be gradually built up to a maximum of 185,000 men.

To train each year of the Reserve Corps 18,000 men for 15 days in their training camps.

To train the National Guard in camp 15 days and to provide 48 drills a year, which is the minimum required by the national defense act.

Civilian training for 35,000 men for 30 days has been provided in the several appropriation bills.

If I am right in my conclusion that it was the intention of Congress to crystalize these appropriations as far as possible, then it would seem to have been the only duty of Congress and the subcommittee to take the 1927 bill, making only the necessary changes that I have indicated, and pass it into law. The Budget Committee, however, in my judgment, acted absolutely contrary to the provisions of law when it charged against the Army appropriation some $4,000,000 necessary for construction, which by the terms of the law was to be paid out of the building fund, and then only after it had been duly authorized by Congress. The Military Affairs Committee has had this matter under its consideration and, as I understand, has duly reported a bill authorizing and allocating the fund, and when the matter comes before Congress those appropriations will be taken care of by the building fund. It was, therefore, the duty of this Appropriation Committee to remove out of the scope of this bill the $4,000,000 for the construction fund. It would have been subject to a point of order, otherwise.

When Congress shortly after the enactment of the last appropriation bill made the additional provisions for national security to which I have referred, it must have contemplated that the appropriations required therefor would be made without disturbing the settled policy of Congress in regard to the appropriations for the different component parts of the Army. It had adopted a policy, I may say, by making the appropriations for the various component parts at the strength it considered necessary, and it could not have contemplated in the subsequent legislation to disturb the policy so settled and must have contemplated that the cost thereof should be added to the appropriation. Owing to the action of the President in requiring the Army appropriation of 1927 to bear the additional appropriations without running a deficiency, the result has been that the Army has since the 1st of July been reduced to 110,000 officers and men, and is a case of inability to properly function. It is impossible in a well-balanced army, no matter of what size, to eliminate various units without a substantial cut in other units.

The progress of the National Guard has been halted. Under the Budget estimates for 1928, the strength of the Regular Army is reduced to 115,000 men with an additional charge thereon of 1,250 men, due to the air legislation.

Mr. LAZARO. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Yes.

Mr. LAZARO. I notice in a statement made by General Reilly some time back that out of the 41,000 horses and mules that we have there were over 30,000 that averaged 17 years of age. Is that true?

Mr. HARRISON. There are some of them that are pretty old plugs; yes.

Mr. LAZARO. Was that brought out in the hearings?

Mr. HARRISON. Yes. It is rather exaggerated. General Reilly's statements in some respects were exaggerated about that and other matters.

Mr. LAZARO. But not about the rations and the quarters of the men.

Mr. HARRISON. The rations?

Mr. LAZARO. Yes. How much was appropriated per day?

Mr. HARRISON. Thirty-six cents. I am coming to that later on.

Mr. LAZARO. And for the Navy?

Mr. HARRISON. Fifty-five cents; but there is a reason for that. The Army buys in large quantities, and the Navy is often separated and segregated in far off countries. That is fixed by law. We now propose that the law shall also fix the ration of the Army, and as soon as that is done, of course, we make the necessary appropriations. But we have increased the rations.

The National Guard is now at its peak of efficiency; but if the appropriation as estimated by the Budget stands it will be impossible to organize any new units, and of those that are already organized they can not receive the training which the national act to which I have referred has made into positive law that they shall receive. Only 47 drills a year are provided for, when the act required 48, and their camp training is contracted from 15 days to 13 days, and there was a substantial cut in other matters pertaining to their efficiency.

If the Budget estimates are permitted to stand, instead of 18,000 officers of the Reserve Corps being trained there can be only 12,000.

The citizens' military-training camp is virtually eliminated. Such a course would be a matter of deep regret, in regard to the civilian military-training camp. According to all those who have observed the working of this feature of the national defense act, it has been most beneficent. In the discussion of the 1927 bill Mr. ANTHONY said of the civilian military training camp the following:

> Here we are getting 100 per cent for every dollar we spend. It is simply marvelous to see the change made in 2,000 green boys taken into camp.

And Mr. BARBOUR, our worthy chairman, bears testimony from his own observation, as follows:

> To my mind one of the most constructive activities of the Army is the conduct of the citizens' military-training camps, at which during the summer of each year young men ranging from 17 to the early twenties receive a 30-day period of training. The results of this period of training have been most remarkable. * * * There are benefits which can not be measured in figures and set down in tables.

The bill before the House has not, in fact, increased the amount dedicated to the Army by the Budget, but it has done

what it was its duty to do—relegated to the proper committee the construction required, and we have taken the funds which the Budget has assigned to the support of the Army and allocated them to the proper support of the Army itself. It has not been possible to keep within the Budget limitations and carry out all the provisions of the 1927 act. The bill restores the Army to the 118,500 men which has been the standard size for the past several years, but includes in it the additional men required for the Air Service development. This is therefore to that extent a reduction on the 1927 act.

It provides for the National Guard 48 drills, according to the law, and 15 days' training, but does not provide for the further development of the National Guard. Under the appropriations carried no new units can be organized, and the strength of the National Guard, officers and men, will remain at 174,969 instead of being gradually increased to the 185,000 men, as contemplated in the settled policy of Congress.

In addition to this it eliminates many features of the Army life which were deemed more or less essential. Heretofore in continental America, as well as beyond the seas, there were provisions for the social life of the soldiers. This has been eliminated in this bill and the only provision made for these features are for men overseas.

It reinstates the Organized Reserve training to 18,000 men. It preserves civilian training camps which, as I have already indicated, have been commended on every side.

While there have been to the extent I have stated these changes in the 1927 act, on the reduction side there have been several items which have been added purely in the way of justice and economy. These new items are:

(1) The ration: A great deal of complaint was made by the men in the service that the rations which were provided for them were wholly inadequate. The amount was 36 cents a day. As a result, it is alleged, there have been a large number of desertions. The curious feature about the ration is that while all over this country from sea to sea and from Maine to Florida there has been intense complaint on the part of our agricultural friends that the prices of foodstuffs have steadily declined; yet it appears in these hearings that to the Army, one of the greatest consumers, the price has steadily increased. The price of canned beef, in fact, has become so high that it is actually cheaper to buy fresh meat rather than use the canned goods. The price of beef, especially, has steadily increased. whereas in the agricultural district with which I am most familiar, some of the farmers have actually been driven into bankruptcy by the steady decline of the beef. The bill adds 5 cents to the ration per man in order to meet the said ascending price of the food as well as to furnish to the soldier his proper food.

(2) In the San Francisco Bay the old transport boat, the *Grant*, has been kept practically useless for the last two or three years. It is a commodious boat, admirable for the transport work when in condition, but no money has been provided for its reconditioning and it has been practically useless. In the meantime the old boat known as the *Thomas* has served the purpose of a transport until, according to the testimony in the hearings, it has practically become more or less a menace in its use. To purchase a new transport boat—which must be done in the near future—would cost millions. It was thought wise economy on the part of the subcommittee to appropriate $400,000 for the reconditioning of the *Grant* and using it for a transport boat.

(3) West Point: Congress appropriated money for construction at West Point, but provided that the same should be carried over five years. In the last appropriation bill, on the suggestion of the engineer at West Point, two years were combined in the appropriation. It was stated to the committee at that time that by so doing we would save at least $60,000. The experiment was tried and the money was saved, and so again in this bill we have united the two years' appropriation into one. The construction will now be completed one year ahead of time at a saving of $120,000. These items constitute virtually the new provisions that are brought into this bill as compared with the 1927 appropriation bill, if they can be called new items.

Mr. Chairman, I am opposed to great military establishments, and, with many others, I hope the day is not far distant when the nations of the earth will find no occasion for them. These hundreds of millions we spend on the Navy and the Army could be so much more profitably spent on peaceful enterprises, such as schools and roads, if we could ignore the greed of human nature.

Our great men of every age have advised reasonable preparation and our own experience has demonstrated its necessity. The cost of the late war was augmented billions of dollars by finding us unprepared and the necessity of preparations under war conditions.

Indeed, even a war scare proved exceedingly costly. A Secretary of the Navy became obsessed with the yellow peril. Two noble patriots rushed to their country's aid, but when the fog cleared away, and the sun of peace resumed its sway, one noble patriot had a little black satchel and the other noble patriot had Uncle Sam's oil reserve. [Laughter.]

These experiences seem to teach that reasonable and seasonable preparation is essential to national safety as well as economy. But, however this may be, the words of President Coolidge in his speech at Trenton, must have been heavenly melody to the heart of every peace enthusiast in the country.

Contrary to the teachings of many of our great statesmen, he seemed to insist that the way for us to assure peace and protection is to be unprepared and demonstrate to foreign countries that we were not prepared to resist their aggression. His idea seemed to be that this trustfulness in the mercy of our enemies would result in eradicating all sinful aspirations out of their hearts.

But hardly had these fine words spread benevolently over the startled world when the news dispatches were teeming with his war operations in Nicaragua and his threats of war against Mexico. The excuse given by the President for this display has been shown to be wholly untenable. It is hard to understand the policy of this Government mixing itself up in the everlasting recurring revolutions in South American States. I have been greatly impressed by an editorial in the New York World of January 12 last. It is, to my mind, very illuminating as to the facts which are pertinent in this controversy. I shall take the time to have this editorial read to the committee.

The CHAIRMAN. Without objection the Clerk will read.

There was no objection.

The Clerk read as follows:

[From the New York World of January 12, 1927]

TWO POINTS OF VIEW IN NICARAGUA

In his message to Congress Mr. Coolidge said that the Diaz government, which we have recognized, "may" be regarded as the constitutionally elected Government of Nicaragua. Mr. Coolidge was conscious enough of certain problems not to say "must." It is a difficult as well as a thankless job playing umpire in Central-American domestic politics. Nothing but trouble is invited by interpreting a local constitutional issue one way rather than another, and then proceeding as if this interpretation represented the will of God.

Diaz is our man in Nicaragua. We have recognized him several times before and lent him marines to help him out. The constitutional ground on which we have recognized him this time, Mr. Coolidge says, is the fact that he was designated President by Nicaraguan Congress last November. This was all right and may be regarded as perfectly constitutional, Mr. Coolidge argues, because the Constitution of Nicaragua gives the Congress of that nation the power to name a new Executive when both the President and Vice President are "absent" from the country. It is at this point that opinions differ. Sacasa, the present enemy of Diaz and the man we are fighting with marines and battleships and messages to Congress, was Vice President and had been elected to that office by an immense popular majority. He was indeed "absent" from the country when Diaz was chosen. But he was "absent" from the country because Diaz's friends had driven him out of it. That happens to suit us. Sacasa was out of bounds and we promptly recognized our old friend Diaz. One day after he was inaugurated, and before a second sun had set upon his Presidency, Diaz telegraphed for American marines—and got them.

Now, the importance of these facts, which are nowhere in dispute, lies in their direct bearing upon our present attitude toward Mexico. It was enough for us that Sacasa was out of the country, whoever put him out. It was not enough for Mexico. Mexico held that the Nicaraguan Congress had no right to act in the "absence" of Sacasa when Sacasa was absent at a bayonet's point; and when Sacasa returned (and war broke out again) Mexico continued to accord recognition to the Sacasa government. That is at least as good an interpretation of the law as our own interpretation, and in some ways better—Sacasa being the popular choice of the people of Nicaragua in a free election. But whether or not it is a better interpretation it is at least a legitimate interpretation. We chose to read the situation one way. Mexico chose to read it another. That is a privilege which we can not reasonably deny Mexico unless we regard it as our providential mission to make up other people's minds for them.

Mexico had every right under international law to recognize the Sacasa government. Mexico, having recognized the Sacasa government, had every right under international law to sell munitions to the Sacasa government if Mexico so chose. We accuse Mexico only of furtive gun running to Nicaragua, a boatload here, a boatload there, naval reserve officers commanding the ships "in at least one instance." But Mexico, having recognized the Sacasa government, was quite as

much entitled under international law not to impose an arms embargo which hurt Sacasa as we are now not to impose an arms embargo which hurts Diaz. Granted the at least equally reasonable premise which Mexico has adopted, it is Diaz who is the outlaw and the United States which is playing the rôle of gun runner to a revolutionary government which disturbs the peace. We are indeed provincial if we do not recognize that the Latin-American press had raised that point against us.

We have brusquely warned the Government of Mexico against doing certain things which under international law it has every right to do. We have committed ourselves to the support of a straw man who plainly can not stand without us. We have gone a long way into a serious and complex business which it is easier to get into than get out of.

The CHAIRMAN. The gentleman has occupied half an hour.

Mr. HARRISON. I will continue.

The facts as set out in these editorials, which are not denied, plainly indicate that the wishes of the Nicaraguan people have been overruled by American bayonets and that an unjust bullying attitude has been assumed toward Mexico.

When the Secretary of State announced that he would appear before the Senate committee, it was generally assumed that he would give the facts which would sustain the President's views as expressed in his message to Congress, but instead of so doing the Secretary of State gives an entirely different reason for the rattling of the saber. He is obsessed with a red peril. He has nothing to say for our man Diaz, but a great deal to say against Mexico. My observation has been that whenever this country assumes an attitude of ill-advised aggression there is always some piebald peril invoked. For years we were treated with periodical doses of the yellow peril. This peril of late seems to have become more or less out of date; but a decent substitute is found in the red peril, coming from far-away Russia through the puny South American States. What a terrifying specter the Secretary harrows us with! The wild-eyed, bewhiskered "eskis" from Russia, leading tattered Mexican greasers, marching on the Capitol to tear down the Statue of Liberty from the Dome! A Coxey's army in truth! If the Secretary will give me timely notice of their coming I will have some Winchester school boys here to shoo them away. The reasonable people of this country, loving peace and justice, are not going to be frightened by scarecrows. They know that beyond all these pretenses there is some covert design in progress, and what it is is not hard to discover. Beyond all this warlike demonstration and back in the shadow are the oil fields of Mexico.

Mr. Chairman, I have here an editorial from the Baltimore Sun, which discusses in a very excellent style Kellogg's testimony before the committee, and I ask consent that the Clerk now read it.

The CHAIRMAN. Without objection, the Clerk will read the editorial.

There was no objection.

The Clerk read as follows:

[From the Baltimore Sun, January 14]

MR. KELLOGG'S STATEMENT

It is difficult to write moderately of the formal statement made before the Senate Committee on Foreign Relations by Secretary of State Kellogg. For we doubt seriously that ever before in the history of this Nation has the head of the State Department appeared in public in a state of such utterly indecent intellectual exposure. Such drivel, offered by the Cabinet officer in charge of foreign relations to the Senate committee in charge of foreign relations is, we believe, without previous example in the history of this Nation from the administration of George Washington to the administration of Calvin Coolidge.

Mr. Kellogg was invited to appear before the Senate's committee to explain the basis and justification of the Government's policy in Nicaragua and, of course, the interwoven policy in Mexico. In addition to the cross-table discussion, Mr. Kellogg left with the committee a paper captioned "Bolshevik aims and policies in Mexico and Latin America." He desired that to be given to the public, so that it must be assumed to be his reasoned defense to the American people of the course which has been followed. Let us pass over, for the moment, the broad question whether any "Bolshevik aims" warrant our Government in a policy of armed intervention in the affairs of Nicaragua and of spasmodic threats against Mexico. Let us see, from Mr. Kellogg's own statement, how grave are these specific "Bolshevik aims."

We learn, in the first place, that the plots to combat and overthrow American imperialism, particularly in Latin America, are formulated and fostered by the Workers' Party, which is the communist organization in this country. That party is nearer nothing than anything else that has a name, political or nonpolitical, between the two oceans. It is negligible in numbers. We venture to say, for example, that not 1 per cent of the readers of this paper know one member of the Workers' Party. More, it is a forlorn thing, despised alike of capital and labor, and dependent almost entirely upon silly official attention for public notice of any character. Yet more, its feeble thought has been chiefly fixed upon domestic affairs. Mr. Kellogg's own statement records a rebuke to it on that account from Moscow and also records a statement made by the Workers' Party itself, no later than last November, that its "anti-imperialist work has been greatly hampered by lack of sufficient comrades."

What of the results of this organization's work in Latin America? It starts, of course, with capital against it, and must find its strength in the ranks of labor. On the question of the measure of strength it has acquired let Mr. Kellogg himself speak again. Repeatedly his own quotations from the Workers Party's manifestoes reveal antagonism to that party from the Pan American Federation of Labor. And the fifth item of the Workers Party program, as given by Mr. Kellogg, begins "Expose and struggle against the so-called Pan American Federation of Labor." Indeed, the very last paragraph of Mr. Kellogg's statement reveals opposition by labor to the communists. It is a quotation from a protest by the Mexican Federation of Labor to the Russian ambassador against his giving moral and economic support to the radical group—"enemies of the Mexican Federation of Labor and of the Government."

But let us turn now from these "Bolshevik aims" to the implications of Mr. Kellogg's argument. He makes no defense in his statement of our course. He simply says that the Bolsheviks are opposed to American imperialism. Must we then ride roughshod over Latin America because a handful of Bolsheviks preach opposition in Latin America to our imperialism? That question ought to arrest Americans who care for principles of justice. For those Americans who may care only for protection of dollars there is another question. Is it conceivable that this pitiable Workers Party and its vague masters in Moscow have made in the whole of their efforts one-hundredth part of the enmity for the United States that Mr. Kellogg, hysterical and irascible, has made in two months?

Elaborate parade of danger that would not scare a toothless old woman, and false policy even from the absurd and ludicrous standpoint that the danger is a reality—that is the sum total of Secretary Kellogg's statement. The only possible theory on which Mr. Kellogg can be acquitted of foolishness beyond words is that he is deliberately raising a vast bugaboo to cover State Department manipulation.

Mr. WAINWRIGHT. May I ask the gentleman a question?

Mr. HARRISON. Yes, sir.

Mr. WAINWRIGHT. I wondered if the reading of some of these editorials and the expressions of some of the sentiments which have been expressed on the floor recently would not be more appropriate in the Mexican House of Representatives than in the American House of Representatives.

Mr. HARRISON. I think that when the people of this country are to be hurried into war their Representatives ought to be heard from. I am not familiar with the Mexican House.

Mr. MOORE of Virginia. If the gentleman will permit, I suggest to the gentleman particularly when a standing committee of this House declines to make any effort to ascertain the facts.

Mr. HARRISON. I see no occasion for Representatives of this country remaining quietly in their seats without raising objection when they know the youth of this land will sooner or later have to bear the brunt of war and be sacrificed for some purpose in which the American people as a whole are not interested, if the present policy of the Government is not checked.

Every one of us cheerfully subscribe to the right of an American citizen to the protection of the flag, but I think it will be very generally conceded that when an American citizen of his own volition invests his money in one of these disturbed countries and reckons on handsome returns from concessions obtained from corrupt officials, he should be required to do so at his peril. For my part, I would not shed the blood of one American or add a dollar to the burden of the taxpayer to pull the chestnuts out of the fire for speculators in official corruption and graft in one of these South American States.

Mr. BLANTON. Before the gentleman leaves that question will he yield?

Mr. HARRISON. I will.

Mr. BLANTON. I have in mind certain so-called Americans who have been in Mexico for 25 years. They pay no taxes in this country at all. Their whole interests are in Mexico. They stay there most of the time, but we never hear from them until they want the protection of the American flag. Does the gentleman believe they are entitled to protection more than the people who stay in America and pay their taxes to their own Government?

Mr. HARRISON. I do not believe any American who goes into any of these more or less chaotic South American countries and there undertakes to secure contracts with officials who are

often grafters ought to expect any assistance from this country, and they will never get it by my vote.

It is a curious fact that there have been many outrages, both in Mexico and on American soil, perpetrated by Mexicans upon American citizens that seem to have aroused but little interest on the part of the American Government, but when it comes to a question of the Mexican Government seeking to regain control of their natural resources of which it has been looted, we have the cry raised that an American is entitled to the protection of his flag.

Mr. O'CONNOR of Louisiana. Mr. Chairman, will the gentleman yield there?

Mr. HARRISON. Yes.

Mr. O'CONNOR of Louisiana. As I understand it, the ration of the soldier is 36 cents a day?

Mr. HARRISON. It is; but we have raised it.

Mr. O'CONNOR of Louisiana. What is the monthly pay of the enlisted man?

Mr. HARRISON. Thirty dollars. But after a certain length of service they get a little more.

Mr. O'CONNOR of Louisiana. But that is the initial amount allowed the enlisted man?

Mr. HARRISON. Yes. They do not pay for their subsistence.

Mr. O'CONNOR of Louisiana. The Government pays for their subsistence?

Mr. HARRISON. Yes; and that amounts to about $11 a month.

In conclusion, Mr. Chairman, this bill does not provide for war conditions but does provide for a well-equipped and well-balanced small Army and the training of our citizen soldiers in the use of modern weapons, and this to a very limited extent considering the greatness and the power of this country.

We have had the advice of the splendid men in the service, who have special charge of the matters of our investigation. I may say generally from General Pershing down through all the grades the officers of our small Army are an honor to the uniform and worthy of national confidence. Their life study is to preserve the security of the Nation and to safeguard the honor and glory of the flag. They are not equaled by men in like grade in any service in the world.

As I said, the appropriations in this bill are for an army on a peace footing. Not a dollar is appropriated to send an army to Mexico or to Nicaragua. And that the money so appropriated may not be misappropriated to that end, I will vote for any amendment providing that not a dollar of this money shall be used for any such purpose. [Applause.]

Mr. GREEN of Florida. Mr. Chairman, will the gentleman yield there?

Mr. HARRISON. Yes.

Mr. GREEN if Florida. Does not the gentleman think it would be altogether unwise for our Government to encourage this intervention and crushing of Mexico without any cause?

Mr HARRISON. I certainly do. Nobody knows when we go to crush Mexico what we are going to face. You can not tell what secret machinations may be behind it. [Applause.]

The CHAIRMAN. The time of the gentleman from Virginia has expired. The gentleman has consumed 48 minutes.

Mr. CLAGUE. Mr. Chairman, I yield one minute to the gentleman from Ohio [Mr. CHALMERS].

The CHAIRMAN. The gentleman from Ohio is recognized for one minute.

Mr. CHALMERS. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by inserting an editorial written by the great newspaper owner and editor, Mr. Paul Block, entitled "Faith in baseball and men."

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

Mr. CHALMERS. Under leave granted me to extend my remarks, I insert an editorial written by Mr. Paul Block, which is as follows:

FAITH IN BASEBALL AND MEN

The Newark Star-Eagle does not believe that the baseball-loving public in the United States is going to lose its faith in the grand old game or in the grand old men who have made it the clean and splendid sport it is.

Baseball ranks and always will rank, in the minds of millions, as the squarest sport in the world. We have enough faith in the rank and file of the American people to believe that the outstanding reason for the amazing popularity of baseball, year after year, lies in the fact that it is an honest and clean sport.

The amount of chicanery and trickery mixed with baseball in the past half century is so infinitesimally small that hardly a reasonable comparison is offered between baseball and any other American sport.

And the game is great because of the rugged men of character who have made it great. Are there two men who have figured in the history of baseball in America who have done more to put the game high in the hearts of their countrymen, who have done more to establish its well-won reputation for fairness and honesty, than Ty Cobb and Tris Speaker? With these men stand others occupying equal places in the confidence of the public—Babe Ruth, Rogers Hornsby, Eddie Collins, Stanley Harris, and many more.

The faith of the American people will not soon be withdrawn from these good men who have served it long and well. All men are subject to mistakes in judgment. Doubtless Cobb and Speaker, just as other men in other professions, have made thoughtless mistakes. They may have made bets when they should have made none. Sometimes their hearts may have guided their heads. But nobody who knows them believes they are dishonest men, or that they ever "threw" any ball games. And, as a matter of fact, not even indiscretion has been proved.

No men who have done for baseball what these men have done can ever in justice be driven from the game, condemned and ruined, for any careless judgment or thoughtless indiscretion.

After all, men are but human, errors are made by nearly everybody. Shall a man's reputation be darkened, and perhaps destroyed, because of one error? Let's stop this mud-slinging, this knocking, this destroying of reputations. Why not make kindly remarks for the many good things people do, and overlook an occasional error? We all make them.

The Star-Eagle joins with millions of American fans in believing in Ty Cobb and Tris Speaker, and in keeping its faith in the great, honest, American game of baseball.

PAUL BLOCK, *Publisher.*

Mr. CLAGUE. Mr. Chairman, I yield 30 minutes to the gentleman from Iowa [Mr. DICKINSON].

The CHAIRMAN. The gentleman from Iowa is recognized for 30 minutes.

Mr. DICKINSON of Iowa. Mr. Chairman and members of the committee, first I want to pay my compliments to the Committee on Agriculture. In my judgment the Committee on Agriculture of the House has rendered a distinguished service in eliminating all of the farm relief bills and bringing before this Congress the one bill that, in my judgment, is based on sound principles from an economic standpoint and which, if passed and made a law, will render great benefit to agriculture and to the farming sections of this country.

I expect to-day to spend most of my time in giving some of the differences between the Haugen bill, which was reported by the committee, and the Crisp bill, which has been discussed here on the floor of the House, and which, as I understand, has been discussed in the Committee on Agriculture and offered as a substitute for the Haugen bill.

I read with a great deal of interest the statement of my colleague, the gentleman from Georgia [Mr. CRISP]. I have read with interest as to how this bill of his was formulated. I have read with interest of the different authors—who were the authors of the different sections of the bill. I also read with interest the fact that the gentleman from Georgia was encouraged to introduce this bill hoping that it would help to iron out many of the difficulties that had heretofore existed between the different Members of the House over the different provisions affecting farm relief. I note the differences that he notes in the statement he makes before the committee. I note one thing he says, that he is against a tariff price-fixing measure. I note that he says that he does not want any unconstitutional provision in his bill. None of us do.

It is my privilege to dispute the fact here that you now have before this House for consideration, or will have in time, a bill that has been twice defeated on the floor of this House. As a matter of fact there is but little similarity between the bill that is now reported from the Committee on Agriculture and the bill of 1924, known as the McNary-Haugen bill. At that time we faced the proposition that it was a Government corporation that was going to do the business. At that time we faced the ratio price, which they said was price fixing. That has been eliminated from the bill. Last year we had an entirely different bill before this Congress from the one you are going to be compelled to face now. Why? Because the whole contention of last winter was, in the first place, that you had a tariff yardstick in the bill; in the second place, you had an embargo in the bill; and, in the third place, you had a subsidy in the bill. Some of the men who stood on this floor and said they were not going to support a subsidy for agriculture want to read the Crisp bill with a great deal

of careful attention before they vote for it as a substitute for the Haugen bill, especially if they committed themselves against a subsidy during the debate of last winter. Therefore I want it understood now that you are not discussing and you are not going to consider the McNary-Haugen bill of 1924, and all of the publications, such as the Farm Journal, of Philadelphia, which are sending out their propaganda against farm relief on the theory that it is the Government corporation doing business, have not been reading the development of this program of farm relief from 1924 up to the present day, and those who are now saying on the floor of this House that you have twice defeated this same piece of legislation are wrong, because you do not have a tariff yardstick and you do not have a subsidy.

You have every commodity subject to exactly the same conditions in this bill, and there are no privileges offered to one commodity that are not offered to another. There is nothing in the bill that can be considered a subsidy. Therefore there are a great many men who opposed this legislation last winter on the theory that it was a subsidy, who will either have to revise their judgment or fall in line now and vote for the Haugen bill as it will be presented on the floor of this House.

In view of this conflict and in view of the fact that there is soon to come onto the floor of the House these two measures; in view of the fact that in all probability there will be offered a substitute one for the other; in view of the fact that my colleague, the gentleman from Georgia [Mr. CRISP], has said that he was encouraged by different prominent Members of the House to introduce this bill and that all of that encouragement did not come from the Democratic side of the House but some of it came from the Republican side of the House, I think it is but fair that we put in the RECORD some of the differences between those bills and weigh the merits of the two bills in the balance and see which bill we are going to vote for when the time comes for us to make our decision with reference to this legislation.

First, as to the board. I notice the Crisp bill says that the board shall be appointed by the President. We also know that there were objections last winter to the method of the appointment of the board. That method has been modified to some extent; the nominations are broadened and, to some extent, possibly, strengthened and are possibly somewhat more satisfying to Members of the House who were objecting to the former method. But I think one of the best instances we have with reference to a selection of a board of this kind is found in the History of the American Frontier, by Paxson. It is taken from the precedents back before the organization of the State of Ohio from that of a Territory. After they had gathered their forces together and they had a governor, then appointed by the President, by the name of St. Clair, and this is the record at page 124 with reference to their procedure:

> The procedure of getting self-government under way was defined by the ordinance. In December, 1798, representatives were chosen for the legislature, at the rate of 1 for each 500 free male inhabitants in the population. These convened on call of St. Clair at Cincinnati, in February, 1799, to complete the work by nominating the members of council. They elected 10 "residents of the district," each possessed of a "freehold in 500 acres of land," and from this list the President of the United States caused the selection of five, to constitute the council of the Territory.

There is a nomination from which the President made a selection. Next, we have had a great deal of voluntary information with reference to farm relief coming from the United States Chamber of Commerce. They have been most critical of the program and they have assaulted the method of selection of the board. They have said this legislation is not economically sound, and yet in their referendum, No. 4, submitted August 26, 1913, this is what they proposed:

> The Federal Reserve Board should be increased to nine, the two additional members to be chosen by the original seven, subject to approval of the President, and the compensation of the governor and vice governor of the board should be fixed by the board itself.

And yet that organization is now on record as saying that the farm organizations of this country ought not to have anything to say with reference to who is selected as members of this board. In my judgment, if you are going to have a board to perform the function that is given it under this bill, the farmers must have confidence in the board, otherwise the board is not going to be effective. If the farmers assist in the nomination and selection of this board, they are going to cooperate with the board in an effort to carry out the duties assigned to the board under this legislation.

The next question is with reference to price fixing. The gentleman from Georgia, in his statement, said that he was absolutely and unalterably opposed to a tariff price-fixing measure. What does he offer us? Let us look at the machinery set up in his bill. In the Haugen bill the only reference to price fixing and to prices is the provision on the first page of the bill, as follows:

> To prevent such surpluses from unduly depressing the prices obtained for such commodities, to enable producers of such commodities to stabilize their markets against undue and excessive fluctuations, to preserve advantageous domestic markets for such commodities, to minimize speculation and waste in marketing such commodities, and to encourage the organization of producers of such commodities into cooperative marketing associations.

Then the board is given the authority to try to carry out that policy.

But what does the Crisp bill provide? The Crisp bill provides as follows:

> The corporation receiving such advances shall make purchases of such commodity with the proceeds thereof only:
>
> When the prices are below or except for such purchases may fall below cost of production to efficient producers.

The cost of production to the efficient producer. Price fixing! Why, the tariff is something that you know what it is, and you can add it to the world price and have some judgment of what it is going to be; but when you go to figure the cost of production to the efficient producer of any of the great commodities I would like to know the yardstick that the gentleman from Georgia would use in order to find out, if you please, what is the cost of production of any of the major commodities.

The other night I heard a man testifying before the Committee on Agriculture, and he said that one of the real problems with reference to cotton was the fact that out in Texas, in that fertile, virgin soil, where there were no weeds, they could have one man tending 160 acres of cotton with a few mules, and they could raise cotton at such a low price of efficient production that it would drive all of the cotton producers of practically all of the other cotton States out of existence. Take corn, for instance. You can go up into the State of Pennsylvania, in the district of the gentleman from Lancaster, and see what their cost of production is, and then you can go over into Ohio and see what the cost of production is there, and then you can go into Indiana and into Illinois, and you can find a difference varying from 20 cents to 25 cents in the cost of production in southern Iowa and northern Iowa; and yet the gentleman from Georgia says he is against price fixing, although he puts in the bill a yardstick that is absolutely impossible to follow, because you can not determine what the efficient cost of production is going to be.

Price fixing! The Haugen bill, the bill that the friends of the farmer are actually for in this Congress, provides that when the conditions warrant the board may declare an operating period, and that they will take into consideration all of the conditions that surround that commodity, the overplus, the demand, the world supply, all of the economic conditions, including whether people are being fed on a full dinner pail or whether they are going on half rations. Then they will try through this agency to market the commodity at the price agreed upon, while under the other bill you are going to go all over the country and find that you will have so many different yardsticks for the efficient producer that the bill will never be able to function at all with that sort of a yardstick or with that sort of price-fixing scheme.

OPERATING PERIOD OR EMERGENCY

Next, there is a very interesting difference here where the draftsmen of the Crisp bill have made an effort to adopt what is known as the operating period, only instead of calling it an operating period they call it an emergency.

Under the Haugen bill it is very interesting to note what that emergency calls for. Under the Haugen bill the emergency is declared when you have a surplus above the domestic requirements for wheat and other commodities; second, a surplus above the requirements for the orderly marketing of cotton or wheat; third, a substantial number of cooperative associations or other organizations representing the producers of such commodity favorable to such operating period; and fourth, when the members of the board from the Federal land bank districts, representing the production of over 50 per cent of that commodity, approve it, then an operating period can be declared.

Let us now go to the Crisp bill. It is very fortunate for some individual that the authorship of section 7 could not be attributed to any individual or former piece of legislation. We find as we go along through this bill that various sections of it are attributed to different former pieces of legislation or to different individuals, but section 7 is new, and before they can declare an emergency this board must find this condition to

exist: Does a surplus above the world requirements of any such commodity exist or threaten to exist?

Not a domestic surplus, nothing to do with domestic surpluses, and you can go over the history of the production of food supplies of the world for 25 or 50 years and you will find that there was never a surplus of food supplies so far as the world demand is concerned, because as long as there are hungry mouths in the world there is not a surplus of food. With respect to cotton, as long as there is a bare back that ought to be clothed, there is not a surplus of cotton, and yet this board, before they can declare an emergency, must find that there is a surplus of this commodity in the world; not a surplus of cotton in the Southern States, not of corn in Iowa and Illinois where we produce corn for sale, not of wheat up in the Northwest section or the Southwest section of the United States, but in the world; while the Haugen bill says a domestic surplus or a surplus above domestic consumption.

If the board has to find that condition to be true, you will never have an emergency declared unless the board disregards the plain provision of the act.

No. 2. "Does the existence or threat of such surplus depress or threaten to depress the price of such commodity below the cost of production with a reasonable profit to the efficient producers there?"

Here you have the same necessity of determining the cost to the efficient producer, which is just as impossible as finding out now what kind of population inhabits Mars or the moon.

Practical? Somebody led CRISP into a trap, that is all. He can not do that. It is not possible to do it and, therefore, the Crisp bill is absolutely impracticable.

No. 3. "Are the conditions of durability, preparation, processing, preserving, and marketing of such commodity—or the products therefrom—adaptable to the storage or future disposal of such commodity?"

What does this mean? This means that under the Crisp bill, the gentleman from Texas [Mr. BUCHANAN] will have no remedy for his nontendable cotton down there. Anything that is not 100 per cent right can not be marketed, because they can not determine that they ought to have an emergency declared until they find that of the 100 per cent perfect commodity, there is a surplus in the world, and yet some of the ablest members of the Agricultural Committee voted to impose that restriction on the farmers of this country in preference to the Haugen bill.

Next, No. 4. "Are the producers of such commodities organized cooperatively to be fairly representative of the interests of the producers of such commodities?"

Now, they know they are not. Anybody who has studied the farm problem knows that they are not more than 10 or 12 per cent organized cooperatively. As soon as you get out of the small fruit and vegetables there is no cooperative organization that controls any major per cent of the commodities, and in corn there is no organization at all.

Mr. FORT. Will the gentleman yield?

Mr. DICKINSON of Iowa. I will not. I know what the gentleman from New Jersey is going to tell me; he is going to tell me that this is an encouragement to do that thing. If you have to wait for that you are going to have this depression spread a good deal farther over the country than it is now. I was pleased to receive the information this morning that the Ohio Legislature had memorialized Congress favoring the passage of farm-relief legislation on account of the farm depression reaching the State of Ohio. This information is given in view of the fact that last winter we received only a limited number of votes from the State of Ohio favorable to the passage of farm-relief legislation. I hope gentlemen representing the Ohio districts will sit up and take notice. [Laughter.]

No. 5. "Are the cooperative marketing associations sufficiently organized to direct the purchasing, storing, and marketing of such commodity?"

I have said that they are not; and I want to say further that if you are going to impose that obligation upon the farmers, disorganized as they are, you might as well say that the cause of the American farmer is going to be left without relief, because it is not coming through these channels.

Now, I want you to take the sections of these two different bills and study the sections, and if you recall the declaration of emergency in the Haugen bill, you will find these phases. Study the stipulation and see what is necessary to declare an emergency under the Crisp bill, and you will find that it is not for the farmer, but to camouflage the farmer.

Next, when the emergency is declared the Haugen bill provides that you can select an agency. It does not say that you must have a certain per cent of a commodity under their control but you can designate a cooperative agency; the agency of the board will control the grain and control the channels through which the grain goes to market, and when you do that you have solved the farmer's problem. As to the agency selected in the Crisp bill: They are going to perform through corporations, with a nominal capital stock, with no financial responsibility. A corporation that is going to be in existence to-day and out of existence to-morrow. You never knew a man in your district to form a corporation that would come in to-day and go out to-morrow that could efficiently perform the functions allotted to it. You have an impossible situation.

Next we come to two different phases of the Haugen bill and the Crisp bill. What are those two phases? The Haugen bill says we set up a stabilization fund to pay three specific charges—one the loss on the commodity, one the expense of handling the commodity, and the other the charge to the revolving fund that you have a right to collect as an equalization fee. Therefore you are loaning only where you have a stabilization fund, which we will collect and turn back to the Public Treasury.

What does the Crisp bill do? It loans money to a corporation without capital. Some Members of this body voted against the farm bill last winter on the theory that it was a subsidy, and now these same Members are saying we are going to vote for the Crisp bill that will loan $250,000,000 and has no provision for loss except to have the Government Treasury absorb it. That is something that the farm producers of this country have never asked for, and if that principle is ever inaugurated into law it will curse the Government from now on.

If you subsidize the farmer, the next thing you will be asked to do will be to subsidize somebody else. You will be asked to subsidize the laborer when he is out of employment, and you will go the whole distance in the matter of subsidy, until the Government Treasury can no longer stand the charges made against it. I am not quoting the gentleman from Georgia wrong. Why? Because in the CONGRESSIONAL RECORD, where his statement before the Agricultural Committee was put into the RECORD, he says that the Government has to absorb the loss.

But there is another phase of this question, Mr. Chairman. This is supposed to be a farm relief bill, and we find that the reason why they say there will not be any loss under the Crisp bill is because they are going to buy the commodity when it is so low in price that there can not be any loss. Do you know what is happening to the American farmer to-day?

It is because they are buying his commodity down so low that he can not make both ends meet, and yet under the Crisp bill they are going to finance it in such a way that they will buy the commodity at a price so low that there can not be any loss. I wish the gentleman from Texas [Mr. JONES] would tell me how he is going to explain to his farmers out in Texas that he has bought cotton at the lowest possible price in order to avoid loss against the fund in the Public Treasury. The farmer will say to him, "Yes; you bought it so low, you paid me so little, that you bankrupted me." What good is it going to do the farmer, and why call that farm relief legislation? That is farm punishment legislation. It simply means that that kind of legislation is going to leave the farmer in exactly the same situation that he is now, because you surely do not believe that you can get his commodity at a price so ridiculously low that there is no chance of having any loss upon it. [Applause.]

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. CLAGUE. Mr. Chairman, I yield five minutes more to the gentleman from Iowa.

Mr. DICKINSON of Iowa. Mr. Chairman, there are just one or two other phases of this legislation to which I wish to direct attention. In the first place, the real help of the Haugen bill is the fact that under the Haugen bill it will channelize your commodity until you have got a bargaining power. Under the Crisp bill you can have individual organizations at different places all over the country, acting independently of each other, and you will have the farmer in exactly the same situation you have him in now. What chance has the farmer as an individual out here raising oats and selling it to the Quaker Oats Co. when they have centralization and control of the market? The farmer is an individual taking the load of oats in and delivering it to the market. He has no chance in the world against the Quaker Oats people. What chance has a hog producer when he produces a hog or a load of hogs and takes them to the market and sells them against the organized marketing control of the packing industries of this country? No chance in the world.

The Crisp bill does not help him out at all. It does not do anything that can possibly help him out. The Haugen bill provides for the designating of an agency that can market that commodity, and the hog buyer has got to come in and sit across the table from the representative of the hog producer, and you have, thereby, a bargaining power; you have some

negotiation. The Quaker Oats people manufacture their raw material into the finished product at a certain rate. Unless they are compelled to pay above that rate they know exactly what their margin of profit is; but when they can buy their oats for from 18 cents to 22 cents a bushel and have allocated them into the price of their commodity at 55 cents a bushel, they have made that much margin on the purchase of the raw commodity. What chance has the raw producer selling an individual load of oats to the Quaker Oats people, who control the price of the commodity? The Haugen bill channelizes that commodity under one control, so that the buyer of the commodity has got to sit across the table and negotiate with your man on the proposition of how much he ought to receive for his raw commodity. The Crisp bill does not cover that proposition at all. Remember the Crisp bill if now a law would not help cotton because of the grade requirements in it.

I appreciate the fact that there are a great many cross currents with reference to this legislation. I appreciate the fact that we are asking for a new policy. I would like to have discussed the adoption of the American protective tariff system in this country. When the people of Ohio produced more foodstuffs than they could assimilate and they were like Iowa is now, having all kinds of food and no place to market it, they were the people who came in here under Henry Clay and dictated the nomination of Adams for President and forced a protective tariff system upon the country, and it took them 10 long years to cram down the throats of New England that a protective tariff would help the people of that section. Now, we have come back to cram down another situation and that is this, that the New England States, if they want the tariff, must help out the Western States. In other words, they must give us equality in purchasing power. [Applause.]

The fight to get the protective-tariff system was not made by New England. New England did not get the protective-tariff system in this country primarily. It was a long-drawn-out proposition, and I shall put it into the RECORD, and I recommend the reading of it carefully by the New England Members in order that they may realize that the West is not always wrong. [Applause.]

From the History of the American Frontier I quote:

> Every farmer had in a year or two after settlement a rough abundance on his own table and in his own barns. But the only way he had to raise his interest and meet the installments on his principal was through the sale of his agricultural surplus. Grain, flour, whisky, and pork he could produce in quantity if he could only sell them (p. 243).
>
> If either the East or South could be persuaded that internal improvements were to his interest, the votes thus gained, when added to those of the West, would make a safe majority. The most promising strategy was to approach the East, for this section had emerged from war conditions ripe for local demands upon Congress and needing to make friends on its own account.
>
> The situation uncovered during the debate over the tariff of 1816 revealed the way in which the East could be approached. The new manufactures, chiefly in New England, were the creation of the war, and faced destruction after the return of peace. There was no serious difference of opinion in Congress that the existing industries ought to be protected enough to stay alive; the possibility of a general system of protective tariffs began to arouse eastern interests (p. 244).
>
> It took 10 years or more to bring New England to a general acceptance of the ideas of protection. The Middle States and the West did not have to be converted, having no repugnance to the Federal Government to overcome and approving the ideas from the start (p. 245).
>
> The West could support a policy of voting protection to factories in the East because thereby an eastern consuming population would be built up. It was even possible that some manufactures would cross the mountains and take root in the towns of the Ohio Valley, thus bringing new home markets directly to the farms. The tariff system would reduce the proportion of agricultural workers, increase the demand for food, and perform the patriotic service of making the United States really independent (p. 247).

The following subjects should be discussed for the information of the House:

AIM AND PURPOSE

The major aim of the Haugen bill is to stabilize the markets for the five basic farm products—cotton, wheat, corn, rice, and hogs—at profitable price levels, through control and management of occasional and seasonal surpluses by carry-over and export, the cost to be drawn from the commodity benefited.

The bill also provides loans to cooperatives to aid in orderly marketing any or all commodities and in providing plants and facilities.

It also provides a sympathetic national board to collect and disseminate to farmers all available information in respect to supply, demand, and markets.

EFFECT ON MARKET AGENCIES

The McNary-Haugen bill does not disrupt or dislocate the ordinary channels of commerce and will not harm legitimate trading agencies.

The Federal Farm Board itself will not engage in buying or selling. When it finds that there is or may be a surplus of any of the five basic commodities, as defined in the bill, the board will enter into contracts with cooperative associations or corporations set up by cooperative associations or other agencies, as the particular case may warrant, for "removing, withholding, or disposing of the surplus." This will leave the regular supply to be handled in the regular way by the regular agencies.

The Federal Farm Board concerns itself only with the surplus—not with the regular supply. When the board has by removal, storage, or export freed the market from the depressing effect of a surplus, and available supply and demand are fairly balanced, prices will certainly rise to levels justified by general conditions and to the level of the tariff in the case of tariff-protected industries.

While the bill aims to encourage cooperative marketing in order that producers may have greater bargaining power it does not compel farmers to join cooperatives and does not require nonmembers to pay any of the costs of cooperatives.

One great benefit to cooperatives will be relief from the burden of trying to handle the surplus at the expense of their own members, which placed them at great disadvantage. Cooperatives will be further benefited by being relieved of the necessity of carrying over surplus stocks from year to year and postponing final settlements with members, while nonmembers get the benefit and receive all their money at once.

When they have been relieved of these handicaps, the cooperatives will be in position to demonstrate their value and efficiency and will undoubtedly greatly increase their membership and secure for farmers increased bargaining power in markets freed of the demoralizing influence of the surplus.

I wish to repeat that there is nothing in this bill which will compel any farmer to join or sell to a cooperative. Nor is there anything in it which will interfere in the slightest with the ordinary methods of buying and selling as ordinarily conducted. The agencies (cooperatives or others) through which the board will contract for the management of the surplus will operate in the market as any other dealers. In brief, the surplus will be bought, stored, sold, exported by the usual trading and market methods, with the net costs and losses distributed ratably to all of the commodity through equalization funds derived from the equalization fee.

THE EQUALIZATION FEE

To understand the place of the equalization fee in this legislation it is necessary to understand both the theory and method of the plan of stabilization proposed.

The theory underlying the plan is that occasioned and seasonal surpluses beyond immediate consumptive requirements demoralize the market, encourage speculation, and drive prices to unprofitable levels. The aim is to so manage the surplus by carry-over and export that fair and stable prices may be maintained and American farmers protected against competition in domestic markets with the products of peasant farmers with lower cost and living standards.

To accomplish that purpose it will be necessary to purchase and carry over or export large portions of the surplus. These large-scale commercial operations will inevitably involve risks, costs, and losses. The Haugen bill proposes to create for each of five basic commodities a stabilization fund which will be used to finance the necessary market operations and absorb whatever losses may result.

These stabilization funds will be created and maintained by a small fee collected from all of the commodity as it moves in the stream of commerce. In this way each commodity will provide its own stabilization fund, and through these funds the costs and expenses of stabilization will be prorated to all the marketed units of the commodity, just as the benefits will be distributed.

The principle of the equalization fee is as old and respectable as government itself. It is that the beneficiaries of a common service should pay ratably the cost of that service.

The Federal reserve law furnishes the model of the equalization fee. When the bankers of the country were unable by voluntary action to stabilize their business they appealed to the Government for help—for "bank relief," if you please. Large capital was required, and Congress, by law, compelled all national banks to contribute ratably to the capital stock of the Federal reserve banks, which is nothing more nor less than a bankers' stabilization fund, into which the stock assessments or equalization fees and profits are paid, and out of which costs and losses are paid—just as the equalization fees and profits

are paid into and the costs and losses paid out of the cotton or wheat or other stabilization fund.

The parallel between the character and purpose of the capital stock of the Federal reserve banks and the stabilization funds provided in this bill are well-nigh perfect.

It is not argument to say that national banks are chartered by the Government, and therefore the Government can do as it pleases with them. The stockholders of national banks and their stock investments are as much under the protection of the Constitution as any other citizen and his investments.

There is not as much compulsion in the Haugen bill as there is in the Federal reserve act, nor is there as much intrusion of Government in business.

The only alternative of the equalization fee is a subsidy by Government or no stabilization.

The equalization fee is not a tax on production but a charge on the stream of commerce imposed as a regulation thereof. It is not collected directly from farmers but from the commodity itself as it moves in commerce. On some commodities it will be collected on milling or processing and on others on transportation by common carriers.

The board will have three optional methods of collecting the fee, as follows:

Option 1. On processing: If this method is chosen, as it undoubtedly will be for wheat, rice, and hogs, the fee will be collected from mills, processing and packing companies. The fee will come out of the price, of course, and will be reflected in market quotations, just as freight and other charges. On trucked-in deliveries the fee will be collected on the mill or packing-house sale.

Option 2. On transportation: If this method is chosen, as it undoubtedly will be for cotton and corn, the fee will be added to the freight bill as a surcharge, similar to the railroad surcharge on Pullman fares. By this method the fee will be reflected in market quotations, just as freight rates are reflected. In case of truck deliveries to mills the fee will be collected on "mills sale."

Option 3. On ginning (for cotton only): As an alternative for collection on transportation the board may collect the cotton fee through the ginner, in which case it will be added to the ginning charge. If the board should elect to collect the cotton fee on transportation, as it undoubtedly would, there would be no collection at the gin.

The bill gives the board a right to collect the fee on "sale"—not the "first sale," as in the old bill, but on "any sale," the aim being to provide a way to deal with special situations, such as direct truck deliveries.

The bill confers on the board the power and option to collect the fee by any one of the three methods named or by any combination of the three methods, but expressly provides that it shall only be collected once on each unit of the commodity.

OBJECTIONS

Many objections have been raised. Only a few of them are worthy of consideration or can be considered here.

Two arguments are frequently heard against effective action along this line for agriculture:

First. That it would raise the cost of living and thus lead to demands for higher wages—the so-called "vicious circle."

Second. That it would stimulate production, thus aggravating the difficulty.

If we admit either one as a valid argument, we confess that there is no solution short of tearing down industry and labor; that farm prices must continue to be low compared with other prices. This denial to the farmer of his production cost plus a small profit means that we insist that his present position of disadvantage must be made permanent in order to keep industry satisfied.

INCREASED-LIVING COSTS

Much of the mention of increased-living costs as a reason for opposing farm legislation does not come from the consumers at all. As a matter of fact, I am convinced that fair prices to the farmer would not mean in the long run any appreciable hardship to the retail consumer.

There are adequate safeguards to the consumer against unduly high prices. Imports would flow in when prices rise at home to the limit of the tariff above prices outside. There is a point, too, at which consumers would turn to substitutes which would naturally limit prices, just as stimulated production would increase the supply and check prices if they tended to get definitely out of line with fair production costs.

Retail prices which consumers pay in many cases do not reflect the change in price levels at which farmers sell these great staple crops, which is one reason for the comparative inelasticity of demand.

For example, the farm price of cotton in January, 1924, was 32.5 cents per pound; in January, 1926, it had declined to 17 cents per pound; and to-day the farmer is getting 10 to 11 cents per pound on the farms of the South.

There has been a drop in the farmer's price to about one-third of the price 34 months ago, yet how much has the retail price of cotton goods to the American consumer declined?

(l) The farm price of wheat dropped over a dollar a bushel in 1920, without any corresponding reduction in the price of bread, and it has had an up and down range of nearly 90 cents a bushel during the last two years, but the only way the consumer of bread learned of it was to read it in the papers.

We must recognize that increased farm prices would react on the cost of living to exactly the same degree, no matter whether the rise was due to voluntarily limited production, or to control of supply by cooperative organization, or to Government action.

INCREASED PRODUCTION

As to stimulated production, any one of the methods suggested above would have to increase farm prices so greatly that farming would be attractive to capital in competition with other investment before production could be materially expanded. There is a long gap to be filled before that point is reached.

(m) Our farm acreage and production alike are falling steadily behind per capita of our population.

The argument that increased production will follow farm legislation advanced in a country where every public policy has been aimed at the expansion of farm production would be absurd if it were not urged seriously by men of influence. Among them are our foremost advocates of Government help to expand farm production. Singularly enough, men will condemn one method proposed to increase farm prices on the ground that its adoption would stimulate production and advocate another method to accomplish the same purpose, without recognizing that the effect upon production, whatever it might be, would probably be identical in both cases. Finally, even if production should increase, the farmer alone would bear the burden of it under the plan proposed.

NECESSITY FOR AGRICULTURAL PROGRAM

There are many elements in the agricultural problem to-day that are new. They contribute to the forces that have pressed agriculture out of adjustment in our national life. It is necessary that we understand them and in the light of that understanding define a new national policy.

Foreign countries can not well pay in gold for either industrial or agricultural products, because we now have the gold; they can not advantageously pay for our agricultural products with their industrial products because of the tariff. They can not pay for industrial exports with competing agricultural products because of the tariff and because of our surplus production in many lines. Yet in the midst of such wealth as no other country has ever possessed one-third of our people are witnessing the transfer of their savings and capital into the hands of other economic groups. This impoverishment of agriculture, our basic industry, must go down in American history as a dark blot upon our statesmanship.

Without further delay we should through legislation make it possible for agriculture to attain economic equality with industry and labor in the domestic market, and then in the future let all three groups make adjustments together to meet changing conditions whenever it seems necessary to do so, as a matter of national policy.

The sound program for America should aim toward the development of a well-balanced national life, one which will not stimulate any one form of productive effort at the expense of other equally essential producers.

The reaction on the Crisp bill in the Middle West is shown in the following editorial from the St. Paul Dispatch:

[From the St. Paul Dispatch, Friday, January 7, 1927]

THE 1927 GOLD BRICK

Into the Halls of Congress has now come the official farm-relief gold brick of 1927. Last year it was the Fess bill. This year it goes under the snappy title of Curtis-Crisp. The details are really unimportant. It is not meant to become a law. The function of the Curtis-Crisp bill is to accommodate the weaker brethren by making it easy and supposedly safe to sidetrack the McNary-Haugen bill. Beyond that the enemies of the farmer do not greatly care. If the bill should become a law, nothing would be lost except some Government money, and the farmer might be fooled into thinking that something really had been done for him.

The Curtis-Crisp bill would appropriate $250,000,000 to form a revolving fund, out of which a farm board would make loans to commodity corporations to support the market at prices profitable to the "efficient" farmer. There are plenty of weasel words in the bill, but, taking everything at its face value, the plan goes either too far or not far enough. If it is intended to give agriculture a fair price, the appropriation does not begin to be adequate; if it has no such aim,

it is a canard. Incidentally, the demonstration by the National Industrial Conference Board that the efficiency of American agriculture as a whole is beyond pertinent criticism makes the emphasis placed in this bill on the "efficient" farmer either fatuous or disingenuous.

But the bill is welcome in that it establishes one or two things of importance for genuine relief. It proclaims on official authority that $250,000,000 is not too much to advance for farm relief. It exposes the insincerity of objections to the McNary-Haugen bill on grounds of price fixing, since this claims to be just as much of a price-fixing measure as the other. And it shows that no one really thinks, whatever they may say for their own purposes, that Congress ought to hold its hand until the last peanut grower has approved the final period and the last semicolon in a farm-relief plan. If it would be right for Congress to pass a bill which none of the great farm organizations want, it would be at least equally right for Congress to implement the principle of relief on which every one of them has agreed.

That principle is the equalization of the tariff on agriculture through such surplus legislation as the McNary-Haugen, the export-bounty, or the tariff-debenture plans. Under these plans the surplus of agriculture products would be segregated, so that the world price would not govern the domestic price, and the farmer would get protection just as industry and labor do. Under the first two plans the farmer would pay the cost through an excise tax. Under the third the expense would be borne out of tariff revenues. But, until simple justice is thus done the farmer, he must continue to pay American prices for what he buys and world prices for what he sells.

The attitude of the farm organizations is shown in the following signed statement:

JANUARY 11, 1927.

To the Members of the House Committee on Agriculture:

The Haugen (H. R. 15474), Crisp (H. R. 15963), and Aswell (H. R. 15655) bills are alike in form only. Both in principle and in power to accomplish what each professes to seek, they are fundamentally different.

The farm and cooperative marketing organizations that have interested themselves in the movement for agricultural stabilization have helped perfect the Haugen bill. They want it enacted into law and do not favor the enactment of the Crisp or Aswell bills, because—

(1) Both the Crisp and Aswell bills offer a subsidy to agriculture out of the United States Treasury; the Haugen bill does not.

(2) Both the Crisp and Aswell bills put the Government into the business of buying and selling farm commodities; the Haugen bill does not.

(3) The price formula in the Crisp bill makes it definitely a price-fixing measure; the Haugen and Aswell bills are not.

(4) Neither the Crisp nor the Aswell bill provides means to maintain a domestic price independent of the world price on any commodity, when it is necessary; the Haugen bill does.

(5) The Haugen bill is the only one that lays the basis for permanent continuing policy for farm marketing. The Crisp bill is drawn to function only as "emergencies" develop. The Aswell bill turns the marketing over to Government corporations.

(6) Complete political control is established by both the Crisp and Aswell bills; in the Haugen bill, farmer control is provided.

(7) Neither the Crisp nor Aswell bill provides means for placing a restraint on overproduction through an equalization fee. The Haugen bill does.

1. Under the Crisp bill, the board requires corporations with nominal capital to be formed, and furnishes them with Government funds for all the working capital needed for their operations. Under the Aswell bill the board creates Government corporations, puts up all their capital, and directs their operations. In both cases, it is provided that losses come out of the Treasury up to the limit of $250,000,000.

It is argued that the operations under the Crisp and Aswell bills are to make profits rather than losses. But if profits are made by buying at a low price and selling at a high price, the farmer who is unfortunate enough to sell to one of these corporations would finance them through his losses. If the board under either the Crisp or the Aswell bill confines its assistance to operations that promise a profit with no danger of loss, then it would not even begin to do what needs to be done. On the other hand, if either the Aswell board or the Crisp board undertook to do the things necessary to a stable price, but which would involve a loss, then the loss would fall upon the United States Treasury.

This the farmers do not want. They have never asked it.

Under the Haugen bill the board could do all things needful to stabilize markets. It would have the use of the revolving fund just as provided in the other bills. But as the board cooperated with the producers of any commodity in the advantageous control and disposition of its surpluses it would build up an insurance or stabilization fund out of the equalization fees taken from the stream of trade in that commodity. Upon this stabilization fund, and not the United States Treasury, any losses incident to effective operation would fall.

2. Under the Crisp bill the board furnishes all the working capital to corporations which it requires to be established, and dictates their by-laws and operations. If there are losses, the Federal Treasury stands them up to $250,000,000.

The Aswell bill even more directly puts the Government into business, since the board is required to set up an export corporation for each commodity, take all its stock, name and discharge its directors; and, of course, make good its losses. In both cases Government connection with the trading operations is closer than under the Haugen bill where existing agencies do all the buying and selling with the preference accorded to cooperatives or to agents created and controlled by them.

3. The Crisp bill introduces, as a price measuring stick, the "cost of production to efficient producers," and uses it in three important places which require the board to determine just what that price is in the case of all commodities from cranberries to cotton. This is definitely a price-fixing provision, and not a good one at that, since the producer with lowest unit costs would probably be considered the "efficient producer," and his price would starve out the great bulk of fellow producers. This does not even hint at the difficulties that lie in this price-fixing formula. Both the Haugen and Aswell bills are free from this feature.

4. The Haugen bill is the only measure that makes it possible for the producers of a commodity to maintain a domestic price level independent of world prices when conditions justify it and when the maintenance of a stable market is impossible without it. The Crisp bill boldly stands on the principle that world prices shall rule the American market. Without the equalization fee which the Haugen bill alone provides, it will be impossible for the producers of any crop to adjust the supply to the domestic market requirements at a fair and stable price, uncontrolled by the production costs of foreign competitors.

5. The Aswell bill creates straight Government trading corporations to perform the functions which the cooperative associations are left free to discharge under the Haugen bill. The Crisp bill corporations function only when emergency conditions prevail, and the conditions to be met before operations are permitted are so numerous and exacting that if the board interprets them literally, the corporations would probably never be able to start to function. The Haugen bill offers a permanent marketing program. It provides a self-perpetuating system of finance, drawing from the industry itself the capital for continuing operation. Without this no plan can be enduring.

6. In the Crisp bill the board is selected by the President; agriculture has no voice in the men chosen. The Secretary of Agriculture appointed by the President is made chairman. This politically named board selects the commodity advisory councils, again without farmer nominations. The secretary of the advisory council is chosen by the board; not the council. The commodity council can not meet on its own initiative—only at the call of the board. Bluntly speaking, the Crisp bill places price-fixing powers and duties in the hands of a politically chosen board kept as free from agricultural influence as possible.

The Aswell bill fixes agricultural qualifications for the board members, but provides no farmer nominations. There are no commodity advisory councils. In fact, the farmers have nothing whatever to do with the Aswell plan—the Government does all that the bill provides shall be done.

Under the Haugen bill the board members are appointed from nominees of farm and cooperative associations; the councils are selected by the board from names likewise proposed. The Haugen bill sets up the machinery calculated to achieve the end sought; that is, to give the farmers in their major commodities a higher price gained through real bargaining power.

The profound difference is that under the Haugen bill the price of the assistance is paid by the commodity benefited, while the Crisp and Aswell bills both charge it to the United States Treasury.

7. In the Haugen bill the production of a surplus places on all the producers the responsibility of caring for it. The most effective deterrent to overproduction that has been devised is the equalization fee. This deterrent is totally lacking in the Crisp and Aswell bills where the production and the responsibility of caring for crop surpluses are divided. The growers produce it, but it is proposed to put the Treasury back of losses involved in caring for it.

For the reasons above given we reaffirm our support of the Haugen bill, and ask an early and favorable report thereon.

AMERICAN FARM BUREAU FEDERATION,
By EDW. A. O'NEAL, *Chairman Legislative Committee.*
CHESTER H. GRAY, *Washington Representative.*
AMERICAN COTTON GROWERS' EXCHANGE,
By C. O. MOSER,
W. W. PITTS,
B. W. KILGORE,
Legislative Committee.
THE CORN BELT FEDERATION OF FARM ORGANIZATIONS,
By WILLIAM HIRTH, *Chairman.*
EXECUTIVE COMMITTEE OF TWENTY-TWO, NORTH CENTRAL STATES AGRICULTURAL CONFERENCE,
By GEORGE N. PEEK, *Chairman.*

The National Industrial Conference Board made the following findings:

American farmers as a group are buying about $6,000,000,000 worth of manufactured goods from American industry each year.

They are paying, in addition, for about $4,000,000,000 worth of services rendered by others annually.

They are supplying one-eighth of the tonnage carried by the railroads.

They are exporting about one-half of the total value of exports from the United States.

They are debtors to other groups to the enormous sum of over $12,000,000,000.

Is there any further argument needed to show the close relationship and interdependence between American agriculture and other economic groups in our national life? Does this not make quite clear that, if agriculture is economically handicapped—and hence not prosperous—industry, commerce, finance, and transportation can not attain their full measure of prosperity?

American farmers and those depending upon them constitute nearly one-third of our population.

Is there needed any further proof of the importance of the farmer in our body politic and of his tremendous influence upon our social and political life and stability? If the farmers do not generally feel satisfied with their labor and with the reward for their labor, are they not a great potential source of social and political unrest, the development of which may be to the disadvantage of the country?

Yet, while constituting about 30 per cent of our population, the farming community's share of the national income was in 1921 only 10 per cent and is now probably not more than 7½ per cent. The wealth of that community has grown less rapidly in the last few decades than has the total national wealth. Moreover, there has been a marked disparity between the returns of the American farmer as a producer and investor, and the returns which have come to workers and investors in other fields. Can an enduring, equitable, and sound natural progress be developed on such a basis?

The effect of farm depression on the bond market and land securities is shown in the following letter:

ST. LOUIS, *December 16, 1926.*

To holders of plantation bonds marketed by William R. Compton Co.:

Our president, W. R. Compton, has recently returned from a 10-days' trip covering the Delta section and inspecting the plantations on which bond issues were distributed through this company. Bankers, business men, and cotton growers were interviewed, and an exhaustive study made of the present situation and causes leading to the existing unsatisfactory conditions.

With cotton and cottonseed selling at less than half of their usual value, it has been impossible for the average planter to pay for the production cost. Labor is high and scarce. Negro tenants in many instances refuse to pick cotton that they have cultivated, knowing the market value of their share would realize nothing. Planters have been obliged to employ labor for picking, and are realizing little above the actual cost thereof.

Bankers and merchants are refusing to make advancements (as has been the custom) for crop production in 1927, excepting to those who have substantial outside security or unencumbered lands.

A very large acreage in total has been foreclosed by insurance companies, banks, and investors in general who thought their loans were conservative and well secured. Buyers are scarce and satisfactory tenants well-nigh impossible to secure. The operation of a large plantation requires a substantial investment in livestock and equipment, plus a large outlay for crop production. No one could have foreseen the present decline in values. Plantations which sold for $100 to $150 per acre are now going begging at $30 to $50, and cash buyers are not in evidence. The large carry over of cotton from 1925, plus the overproduction in 1926, has demoralized cotton values and planters in general. To operate these properties or advance funds to owners for such purpose is fraught with great risk and is to be undertaken only by those having had practical experience.

This company regrets the unfortunate outcome of these bonds, but over a long period of years it is inevitable that some bond issues should prove troublesome. In our long years of experience and distribution of vast amounts of investment securities our customers in the main have suffered little loss in percentage. To have foreseen present conditions would have been impossible, and similar shrinkage in values exists in practically all agricultural sections of our country. Foreclosures seem to be inevitable, and this company will, of course, lend every possible assistance to protect the interests of the bondholders.

Yours very truly,

WILLIAM R. COMPTON CO.

Also the following letters:

(The writer of this letter, Clarence Ousley, was Assistant Secretary of Agriculture under Secretary Houston during the war. He is director of the Texas Safe Farming Association, which is an organization supported by banking and industrial interests of Texas. The executive committee of this association are men known to the whole South. Executive committee: J. A. Kemp, Francis H. Welch, Nathan Adams, R. E. Harding, T. J. Caldwell, Ed Woodall.)

JANUARY 4, 1927.

Mr. JULIUS H. BARNES,

United States Chamber of Commerce, Washington, D. C.

DEAR SIR: I have just read in the Nation's Business for January your article entitled, "Is there a 'national' farm problem?"

I have great respect for your fame in the business world and for your judgment with respect to business problems. Therefore I have given very studious attention to every statement you make and to every phase of your argument.

With all respect I wish to say that there is but one truly accurate statement in the four pages of well-phrased reading. That is as follows:

"Scientific farming which spreads its risks by means of diversified production and plans so that there is productive work every day, rain or shine, winter or summer—that is the application to the farm problems of the methods which make earnings and dividends in industrial enterprise."

The remainder is more big business platitudes and self-deception. No respectable group of farmers or farmer-minded citizens, are remotely proposing to violate your dictum that "the political philosophy in which this Republic was founded can not be safely violated under the plea of temporary distress of any section of our people." No respectable group of farmers, or farmer-minded citizens are proposing any competition of Government in the field of the commerce in agricultural commodities. No respectable group of farmers, or farmer-minded citizens, are remotely proposing that the Government enter into "a field where the 70 per cent consumers of the country may dictate the measure of price to the 30 per cent farmers."

You use words of fair sounding, but when they are applied in their true purport to two of the greatest forms of business in the United States they dissolve into empty nothings. I have reference to the railroad business and the banking business. The railroad business of the United States was a shameful failure as a dependable investment and as a fair-dealing public service until the United States Government and the several State governments set up regulatory commissions. Surely you can not be so unmindful or so forgetful of business history as not to be able to recall the period of railway buccaneering and scandalous and deliberate railway financial wreckage and pernicious and destructive favoritism through rebates and other dishonest devices which characterized the railway industry of the United States. This state of affairs continued with unblushing effrontery and with confessed inability by the greatest railway minds to bring order out of chaos until the Interstate Commerce Commission was established and developed into an all-powerful agency of absolute authority over capitalization, rates, and even construction. Where was our boasted American individualism to accomplish substantial, enduring, and justice dispensing transportation during that period?

A somewhat similar state of affairs had existed in American banking since the foundation of the Republic, until the Federal reserve system was established. American individualism was powerless to avert bank panics and the disaster to business which follows the demoralized finance.

I remind you also that the great agencies of commercial transaction, the cotton and grain exchanges, dominated and conducted by some of the greatest business minds in the world, were unable to establish systems of trading that insured fair dealing between traders and it became necessary for the Government of the United States to set up supervision and regulation.

You are too conspicuous a man and you should have too much regard for intellectual consistency to commit yourself in so sweeping a manner against proposals of farm relief which you have not taken the pains to understand or which you purposely and grossly misrepresent.

There is only one serious proposal before the American Congress which has a respectable following, and that is embodied in the so-called McNary-Haugen bill. If you have read that measure and given fair interpretation to its provisions, you must realize that it conveys no power of Government to fix prices; that it does not in the remotest degree impair the precious right of individualism; that it does not violate a single fixed principle of American Government; and that it is based upon repeated precedents of the utilization of governmental powers and the temporary employment of governmental funds for transcontinental railways, the reclamation of arid lands, and other policies of proved wisdom and efficiency.

Precisely the same argument which you make against measures of farm relief was made against railway regulation and against the Federal reserve banking system. In an earlier period precisely the same arguments were made against public schools.

I do not hope to change your mind, because the whole history of reform and progress in governmental affairs, as well as in economic affairs, teaches me that minds like yours are unchangeable because they are governed by tradition and not by reason. I am merely taking the personal satisfaction as a citizen and as a student of this and other problems of government and economics to write this personal protest against the massing of a great business influence represented in the United States Chamber of Commerce on the side of intrenched privilege in resistance to the earnest plea of those who feed and clothe you for a square deal.

I venture also to inclose an argument on the McNary-Haugen bill, signed by a group of thoughtful and successful Texas business men, and with all due respect I challenge you to answer it.

Yours very truly,

CLARENCE OUSLEY.

JANUARY 5, 1927.

Editor, NATION'S BUSINESS,

United States Chamber of Commerce, Washington, D. C.

DEAR SIR: I am inclosing copy of a letter to Mr. Julius H. Barnes. You will observe that it is a comment upon his article appearing in your issue for January.

I am sending you this communication in the faint hope that I may arouse your sense of fairness and stimulate you to at least consider whether the Nation's Business should not in all fairness and, I venture to say, in common decency, give opportunity for answer in your own columns to Mr. Barnes's propagandism.

It is all too plain to my mind that the United States Chamber of Commerce, at least on the part of its leading minds, is massing its influence against legislation for farm relief. The United States Chamber of Commerce has a perfect right to take any position with respect to legislation which it chooses, but heretofore you have followed the practice of submitting your proposals of attitude toward legislation to a vote of your constituent membership by referendum. I am not aware that this has been done in the pending instance.

Some months ago the president of the United States Chamber of Commerce invited expressions of views and suggestions of relief in respect to the farm problem from representative citizens. I happen to know that some of the replies favored measures of relief. I am not aware that any publicity has been given to those views. From this distance it appears to me that the United States Chamber of Commerce, through its principal officers, is covertly suppressing the views of representative business men who favor farm relief and is covertly putting forward the views of men like Mr. Barnes as typical of American business opinion. If I am correct in this surmise, then you are pursuing an unfair method, and as a citizen I protest against it. I feel it to be my duty to communicate the substance of my letter to Mr. Barnes and to you to the friends of the McNary-Haugen bill in the Congress of the United States, and if I am not mistaken, there are men of courage enough among them to challenge the action of the United States Chamber of Commerce in this matter.

Allow me to say in conclusion that the United States Chamber of Commerce has performed some notable and praiseworthy services for American commerce and for the Nation's welfare, but if it is now assuming the "dog in the manger" attitude and using its powerful influence in promotion of legislation for commerce and to covertly and insidiously use the same influence in opposition to relieve agriculture, the greatest of all industries, then it is high time that the American people were informed of its attitude, and as an humble citizen who happens to be in accord with some other business men who do not make such high pretense to superior wisdom as the officers of the United States Chamber of Commerce assume, I shall do what I can to give the people of the United States the needed information.

Yours very truly,

CLARENCE OUSLEY.

Mr. MOORE of Virginia. Mr. Chairman, the gentleman from Virginia [Mr. HARRISON] has asked me to take charge of the time in his absence. I yield 15 minutes to myself. [Laughter and applause.]

Mr. Chairman, I ask that the Clerk read in my time a resolution which I introduced yesterday and a statement which I issued in explanation of it.

The CHAIRMAN. Without objection, the Clerk will read as requested.

There was no objection, and the Clerk read as follows:

Resolved, That there is nothing in the Mexican situation which would justify the severance of our diplomatic relations with the Government of that country or forcible intervention in its affairs, and the agitation in favor of any such course is no less than a criminal effort to substitute a state of war for the present peaceful condition.

Mr. MOORE of Virginia. It is, of course, not to be supposed that the President desires trouble with Mexico, but the very severe references to that country in his Nicaraguan message can but serve to stimulate the propaganda which has the definite purpose of bringing about intervention. The Government of Mexico seems to be arraigned for recognizing Sacasa as President of Nicaragua instead of Diaz, and for allowing arms and munitions to be furnished the former. But, as pointed out by Dr. John H. Latane, of Johns Hopkins University, the other day before the House Committee on Foreign Affairs, Mexico has the same right to recognize and countenance the assistance of Sacasa as the United States to recognize and countenance the assistance of Diaz. The point was stressed in the message that a Mexican ship, carrying arms and munitions to Nicaragua, was commanded by an officer of the Mexican Naval Reserve, but now that statement of fact is contradicted, and it is said that Mexico has no naval reserve. It does not seem to me that any great weight should be attached to Secretary Kellogg's memorandum relative to Bolshevik influences radiating from Mexico. Nothing is easier nowadays than to attach the Bolshevik label to any activity which may displease us or create apprehension.

There is no reference in the message to the new Mexican laws in effect relative to oil concessions and the ownership of land by aliens, and before any trouble is started on that account there certainly should be a careful inquiry into the reasonableness of those laws, and whether or not they parallel legislation which has been enacted by many of our States; and also, as to why, if the laws are unreasonable, they have been so generally acquiesced in by the nationals of other countries and the United States, which is said to be the case. In advance of any break not only should the facts be fully known but whatever ground exists for complaint should be made the subject of adjustment by friendly and peaceful methods. For one I do not believe that our people as a whole desire anything serious to occur, although there are certainly some who are in a different attitude.

Mr. Chairman, I ask unanimous consent that I may append to my remarks brief extracts from the address last Wednesday before the Committee on Foreign Affairs of Dr. John H. Latane, professor of American history and lecturer on international law, of Johns Hopkins University.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to extend his remarks in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Virginia. Mr. Chairman, the Nicaraguan matter was so fully presented the other day by Senator BORAH as to make any rehearsal of the details and of the views which I entertain unnecessary, but I do wish for a moment to stress the point made by the Senator and by Doctor Latane that the Monroe doctrine is not involved. It is only involved in the estimation of those who are ignorant of what it is or those who try to make use of it in cases to which Mr. Monroe, Mr. Adams, and the other statesmen who had to do with its promulgation never dreamed it could apply. In recent years it has been correctly defined by Mr. Hughes in this language:

> It is opposed (1) to any un-American action encroaching upon the political independence of American States under any guise, and (2) to the acquisition in any manner of the control of additional territory in this hemisphere by any un-American power.

It is nothing more than an affirmative declaration of a continuing purpose, by the use of such force as may be essential, to prevent Old World powers from action in this hemisphere which might lessen and might finally even destroy the territorial and political safety of the United States. It is now claimed that, inasmuch as by the Monroe doctrine a foreign nation is forbidden to destroy the political institutions or acquire the territory of any nation in this hemisphere, the United States is placed in the position of guaranteeing that a foreign nation shall not suffer any injury at the hands of an American nation. Specifically, it seems to be claimed that if a foreign nation, or its subjects, loans money to an American nation and takes its bonds the United States must insure payment and become collector of the indebtedness according to its terms and use whatever force is necessary to effect that result, whether in Nicaragua or some other Central American nation or in some nation of South America. I submit that there was never a more absurdly illogical and unwarranted contention. It is perfectly clear that those who are responsible for it are really not thinking about the Monroe doctrine, but about an entirely different doctrine, an investment doctrine, and that they are thinking of it not so much for the purpose of protecting foreign investments in American States, but investments made in those States by Americans who assumed when they made them that they were going to have not only the moral support, but the military support of our Government. If this theory is to obtain, a blind man ought to be able to see that it will place us in a completely imperialistic attitude with reference to every nation of this hemisphere. And a student of history will not doubt the fatal effect, as time goes on, upon our own institutions.

Mr. Chairman, I am in sympathy with the idea expressed by my colleague, Mr. HARRISON, that to the Army appropriation bill should be attached an amendment forbidding the use of any of the funds appropriated in connection with the transportation or maintenance of the Army outside of the United States, without the previous consent of Congress. [Applause.] And I very much hope that there will be attached to the naval appropria-

tion bill, now pending in the Senate, an amendment providing that no part of the naval forces shall thus be used without the consent of Congress, when—

not absolutely indispensable for the protection of American life and property.

The last words I have quoted from a telegram sent yesterday by a notable group of Boston citizens to the Secretary of State, and we may well say with them—

We look with growing apprehension upon the present policy of our Government in Nicaragua and Mexico.

If it could be regarded exclusively with reference to a small country of about 50,000 square miles and 600,000 inhabitants, and not as an indication of a policy, the Nicaraguan affair could be brushed aside as inconsequential, but a policy seems to be proclaimed, and therefore it seems that what is being done in Nicaragua, if not condemned, may become a general rule of conduct.

But unfortunately the President's message has the most serious significance in its bearing upon our relations with Mexico. The President must rely upon the members of his Cabinet, and there is no difficulty in detecting in the message the hand of the Secretary of State, the same hand which penned the hectoring notes to the Mexican Government which were published in November, and which were far different in language and tone from any diplomatic communication which would have been addressed to a nation sufficiently powerful to show its indignation and resentment. So plainly, whether intentionally or not, has the Secretary of State exerted himself in making trouble instead of insuring tranquillity as far as possible, that as a sincere friend of the President—and I am his sincere friend who has frequently given him here the most earnest support—might take the liberty of suggesting that he drop the pilot who seems to have such exceptional skill in finding waters where there is danger of shipwreck. [Applause.]

It is said, but I hate to believe it, that for the sake of prospective party advantage—a great election is approaching—the administration is yielding to powerful influences which desire to bring about intervention in Mexico, which would import neither more nor less than continued occupation of that country and activities costing the lives of our soldiers and adding to the enormous debt with which the country is now burdened. Only yesterday, Mr. Arthur Brisbane, in an editorial paragraph, wrote:

Dispatches from Mexico City report business almost paralyzed, a serious crisis threatening the Mexican Cabinet and Mexico. Many say that the fate of President Calles is in the hands of President Coolidge. Others think a conflict between Mexico and the United States inevitable.

It is dangerous to attack religion and oil, the heart and the pocket at the same time.

If the implications of that paragraph are to be accepted, if they are only approximately true, one may well ask whether it is ever going to be possible to rid our part of the world of the bloody experiences which have marked the course of civilization and made it, as someone has said, hardly better than a train of felonies.

Mr. Chairman, I would not have said even this much except for my extreme interest in the cause of peace. To me it is the most important of all causes. There is no question we can consider here which is conceivably as important as the question of what can be done, what should be done, to save humanity from war. If the President is being assailed by influences which desire intervention in Mexico, which really means war, whatever the character of those influences, I trust he will stand firm in resisting them. As one fairly familiar with all the facts in respect to our differences with Mexico, I deeply hope that the country can rely upon his strong common sense to find friendly methods—and they can be so easily found—of avoiding what would be, from every point of view, a monstrous catastrophe. [Applause.]

The matter referred to is as follows:

[Extracts from Doctor Latane's address before the Committee on Foreign Relations of the House, January 12, 1927]

This use of the armed forces is a discretionary affair, but there is no limit on it except what the President regards as a right and what influence public opinion expressed through the press and through Congress can exercise upon him.

Now, to take up that question from the point of view of international law, it is a rather dubious question as to how far a state may go in landing armed forces. Of course, it was done at the request of one side, but I think you will all admit there is a big difference between landing armed forces for the protection of the lives and property of the people, say, in Nicaragua or in Mexico, and landing armed forces for the protection of the property of American citizens who are not in Nicaragua but who may be in Wall Street or somewhere else, and I think that is a very important distinction to bear in mind. You are only justified in landing troops when there is immediate danger to the lives and property of your citizens at the point where those troops are landed.

Now, the President's message is not a satisfactory explanation to me. In the first place, there is great emphasis placed on this canal treaty, and the fact that we have rights to the canal. We know perfectly well that that treaty was signed as a part of a definite policy on the part of the United States to secure control of all available canal routes, because we did not want to be embarrassed by some foreign country undertaking to secure rights of way for a canal connecting the two oceans. So here is an available canal route. We have acquired control of that—not that we want to build a canal immediately, but at some time in the future it may be necessary to supplement the Panama Canal. But the main reason was to prevent anybody else from building a canal there.

Now, to say that we have to land a large force of marines in Nicaragua to protect this canal route seems to me an absurdity, and when a man advocates an idea of that kind as an excuse for his action, it always raises in my mind a suspicion that there is some real reason for the action which he does not care to express, because that is not a reason, and nobody is threatening to take away from us the right to build a canal at some time in the future. Of course, that treaty would enable us to protest instantly in case any party in Nicaragua should grant a concession to some foreign power to build a canal. Of course we would step in under our treaty rights and say "No." But is there any possible danger of anyone going in there at the present time?

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Professor LATANE. There seems to be in the minds of a great many newspaper editors, at any rate, and others, that the Monroe doctrine is involved in this situation. That is rather intimated in the President's message although not expressly stated, as I will show you in a moment. In the Washington Post I find this statement:

"If the United States should stand idly by and permit this conspiracy to succeed, the security of the Panama Canal would be endangered"—

He refers to this Mexican conspiracy—

"the lives and property of Americans in Central America would be destroyed and the present Government of the United States would be a traitor to the Monroe doctrine, the bulwark of national defense."

Of course, the Monroe doctrine is a declaration against political interference of European powers in American States, and against further colonization in American territory by European powers.

The South American countries have charged that the Monroe doctrine has been converted from a policy of benevolent protection into a cloak for militaristic aggression, and it is a rather strange thing that a paper like the Washington Post should seem to think that the Monroe doctrine justified us in protesting and even taking forcible steps to prevent another American power from having anything to do with the situation in Nicaragua.

Now, there are two entirely separate and distinct things. The Monroe doctrine is not involved by anything that Mexico does in Nicaragua, unless we had changed the Monroe doctrine from a declaration against European intervention in this country to a declaration of American supremacy in this hemisphere and suzerainty of the United States. Unless the Monroe doctrine means that, we have gotten to this point where we say we will not permit any American State to interfere with the affairs of any other State, except the United States.

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Further than that, since the World War, the United States has made very rapid financial strides in South America. Of course, as you know, we have branch banks all through there and are loaning a great deal of money. I think we probably loaned Latin America something like $800,000,000 altogether, and there are a great many people in that country who speak of American financial militarism, as they call it. They say, "We are going to get a grip on all their interests, their mines and public utilities," and it is going to be a very serious matter.

Now, of course, these financial advisers are appointed through consultation at the Department of State, and we have missions of various kinds—naval missions, etc.

I want to read a brief extract from this book entitled "The Destiny of a Continent," published by Manuel Ugarte, whose writings have received a great deal of attention.

Mr. COOPER. Who did you say he was?

Professor LATANE. He is now in France. He is a citizen of the Argentine Republic. He is a lecturer through those countries of Latin America, and I may say the younger crowd, the university students, he is immensely popular with, and has a great following. He describes American militarism—remember he is speaking of this financial militarism particularly, and his description of American militarism would be very flattering if it were true. Here is what he says. I just read you this to show you what they think down there—

"Never in all history has such an irresistible or marvelously concerted force been developed than that which the United States are bringing to bear upon the people which are geographically or politically within its reach in the south of the continent or on the shores of the sea. Rome applied a uniform procedure. Spain persisted in a policy of ostentation and glittering show. Even in the present day, England and France try to dominate rather than absorb. Only the United States has understood how to modify the mechanism of expansion in accordance with the tendencies of the age, employing different tactics in each case, and shaking off the trammels of whatever may prove an impediment or a useless burden in the achievement of its aspirations. At times imperious, at other times suave, in certain cases apparently disinterested, in others implacable in its greed, pondering like a chess player who foresees every possible move, with a breadth of vision embracing many centuries, better informed and more resolute than any, without fits of passion, without forgetfulness, without fine sensibilities, without fear, carrying out a world activity in which everything is foreseen—North American imperialism is the most perfect instrument of domination which has been known throughout the ages."

Mr. VAILE. I wish we had such a consistent policy as he seems to indicate.

Professor LATANE. I read further—

"Pan Americanism is regarded by Ugarte as 'a skillful move in the expansionist policy of the north and a suicidal tendency of the simple-minded south.' The Pan American Union raises in his mind this question, 'Can the existence at Washington of a department for the Spanish-American Republic, organized like a ministry for the colonies, be reconciled with the full autonomy of our countries?'"

Now, there are a great many other writers. Of course, he is an extremist, but he has quite a large following, and that is the feeling throughout Latin-American countries. This one I give you as an indication:

Mr. EATON. As to this loan of $800,000,000, was that forced on the South American people against their will?

Professor LATANE. Not at all.

The CHAIRMAN. That is, we could not lend to them if they did not want to borrow?

Mr. EATON. We have loaned Canada somewhere around two and a half or three billions.

Professor LATANE. But they do not send financial advisers along with it.

Mr. MOORE. Or marines?

Professor LATANE. No. Of course, you know that the United States never had an investment policy until, I think it was, in 1922 or 1923, when the United States had this agreement with the banks—J. P. Morgan and others—requesting them not to make any loans to foreign countries without first consulting the Department of State.

Mr. TEMPLE. Was there an earlier interference with the loan for China?

Professor LATANE. Yes; they were interested in that. And now, under that policy, if you come down to consulting the Department of State about a loan, they may advise you not to make it. Of course, their hands are clear. They may say "We approve it," or that "We think it is a good thing," and if you get into trouble you are going to appeal to the department to back it up by force. That is a very dubious policy, to my mind. It is something new, because prior to the World War we were not lending this money and never developing a foreign investment policy.

Mr. EATON. On what ground does the State Department give consent to those loans? Have they a policy?

Professor LATANE. I do not know what the policy is. They say they want to find out as to whether the loans are in accordance with public policy. It would depend upon the evidence of stability of the party in power, I suppose, as to whether they were either governed by law or had a permanent government.

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Professor LATANE. All I wanted to say was that prior to the war we had no foreign investment policy. Now we have, and there was this contract of the State Department and bankers with this distinct agreement that they would not lend any money abroad without consulting the State Department. In other places there was this statement given out that we were not to loan money to any power unless they had settled their debts or signed a debt statement.

If that is to be the policy in the future, this policy of consulting the State Department first as to something that the State Department itself O. K's, we are going to back them up in Latin America with marines, there is no doubt about that. I think that is a very dubious and dangerous policy and we have to be very careful. On account of the sensitiveness of the Latin Americans, on account of the rapid advance of the United States, we ought to be very slow to land marines anywhere.

Mr. CLAGUE. Mr. Chairman, I yield 10 minutes to the lady from California [Mrs. KAHN]. [Applause.]

Mrs. KAHN. Mr. Chairman, in just 52 words the preamble of the Constitution of the United States expresses the purposes and reasons for the forming of the Federal Government:

We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

"To insure domestic tranquillity and provide for the common defense." The men who had just passed through the travail of the War for Independence realized the necessity of a definite military policy and gave Congress ample power to accomplish these purposes. And with this power, this authority, came responsibility. How these powers have been exercised by the Congress in fulfilling its obligation in carrying out this mission of the Constitution is found in a review of the history of our military policy.

The military policy of the United States from the beginning of the Revolutionary War down to and including the declaration of war against Germany in 1917 has been characterized by—

First. The entrance of the United States into war without an army with which to fight the war.

Second. The organization and development of the war army during the progress of the war.

Third. The breaking up of the war army immediately following the conclusion of the war.

The Battle of Lexington was fought on April 19, 1775. The Second Continental Congress appointed George Washington Commander in Chief of the Army almost two months later, and then began making provision for the organization and development of an army with which to fight the Revolutionary War.

War was declared against Great Britain on June 18, 1812, whereas the organization of the war army began on the 26th of that month.

The first skirmish of the Mexican War occurred on April 25, 1846. The call on the Governors of Louisiana and Texas for 5,000 volunteers with which to fight the war was made the following day.

The Civil War began without a war army on either side with which to fight the war. The call for 100,000 men of the South was made by Jefferson Davis on March 6, 1861, but President Lincoln did not issue his call for volunteers until April 15, 1861, three days after the attack on Fort Sumter. The first few months of the war were spent by both sides organizing the forces with which to fight the war.

War was declared against Spain on April 19, 1898. The first call for volunteers was made after war had been declared. The confusion and disorder which attended our entrance into that war are still remembered by the men who were in it.

In spite of the fact that the European war had been going on for nearly three years, the United States entered that war on April 6, 1917, without having made any adequate provision for the Army that was needed to fight the war. The national defense act of June 3, 1916, was only a step in that direction; it required the act of May 18, 1917, to furnish the Government with authority for obtaining and organizing a war army.

So that our policy has been to get into the war first, and then get ready to fight it after we are in it. Not being ready has not prevented our getting in.

In 1916 the first step was taken to enunciate a comprehensive military policy, based upon purely American principles, and only in the national defense act of 1920 do we have for the first time in our history a well-developed, well-planned military policy that for all time will, we hope, insure domestic tranquillity and provide for the common defense, if we carry out its provisions.

For a hundred years and more statesmen of all parties and all opinions had been urging upon Congress the necessity for this kind of legislation, and it was not until 1920 that the Committee on Military Affairs in both House and Senate, regardless of party affiliation, set aside all precedent and recommended to Congress this truly American defense policy. It might be interesting to note the attitude of the founders of our Government toward a policy of this kind.

Washington urged, as we know, a peace-time preparation for war as one of the essential duties of Government.

Alexander Hamilton urged upon Congress the policy of developing a military educational system, so that officers might be trained in time of peace how to conduct military operations in time of war. He it was who urged Washington to recommend the establishment of a Military Academy at West Point and the development in the Army of a system of schools similar to those which have actually been established since the World

War, and in accordance with the provisions of the national defense act of 1920.

Thomas Jefferson, always a strong advocate of peace, urged the necessity of obliging every citizen to be a soldier.

This—

He said—

was the case with the Greeks and Romans, and must be that of every free state. We must train and classify the whole of our male citizens and make military instruction a regular part of collegiate education. We can never be safe until this is done.

John C. Calhoun, in a report made by him when he was Secretary of War in 1820, recommended to Congress the adoption of a military policy similar in principle to the one actually adopted by Congress 100 years later in the act of June 4, 1920.

The national defense act of 1920 is nonpartisan; it is national in character, and is based on traditions and principles that are truly American. It interprets not alone the lessons of the World War but the lessons of all our wars. It proves a means of insuring "domestic tranquillity and providing for the common defense"—a means which is founded as deeply in the spirit of the minute man as it is in that of the veteran of the World War. It is not an Old-World system; it is an American system. It is our pledge to the men who won our independence and gave us our National Government that, if called upon in the future, we will be ready to preserve the one and maintain the other.

The national defense act of 1920 provides for the development in time of peace of an Army that can be used in time of war. An Army whose character is defined by its three components: First, a small Regular Army, permanently maintained and composed of professional soldiers; second, the National Guard, made up of citizens of the various States who devote a small portion of their time to military service; and, third, the Organized Reserves, a new force created by the act of June 4, 1920, which is made up entirely, like the National Guard, of citizens of the various States, who devote even less of their time to military affairs. So that the Regular Army is the nucleus around which the two great citizen components are developed.

The national defense act of June 4, 1920, provides that this whole force shall be such that it will contain, in time of peace, all those organizations which are essential in the formation of a war-time Army, and that these organizations shall be, so far as practicable, the very same ones that made up the World War Army. In other words, the Army which fought under General Pershing is being preserved, so that it will be ready, if war ever comes again, to fight the war. One can appreciate better what this means if one imagines Congress as having passed the act of June 4, 1920, immediately after the Civil War in 1865. Then the armies of Grant, Sherman, and Sheridan, instead of being broken up and destroyed as they were, would have been preserved, not the personnel but the organizations, and would have been ready when we entered the Spanish-American War to go to Cuba and the Philippines and in 1917 to Europe. So that Pershing might have led at St. Mihiel the very army which fought at Gettysburg. But we have profited by our mistakes of bygone years. This Army of the World War is now in existence. The personnel, of course, has greatly changed already, but the organizations are still intact. The First Division, the Second Division, and the Third Division of the Regular Army are still in existence. The Twenty-sixth Division in New England, the Twenty-seventh in New York, the Twenty-eighth in Pennsylvania, of the National Guard, and the Seventy-sixth, Seventy-seventh, and Seventy-eighth of the Organized Reserves, and so on through the list are now organized and being developed so that in time of another emergency they will need only to be expanded to war strength and the personnel given intensive training in order to be available for war service.

In peace times our national defense organizations are highly skeletonized—only the bare framework being in actual existence—but the plan as provided by the act of June 4, 1920, is so perfected that every part of the skeleton fits into its appointed place and can be expanded in a most orderly manner and with comparatively little delay.

But Congress, given this comprehensive and adequate plan for the national defense of this great country of ours, has not carried out the full provisions of this act, but has pared and scraped, economized and cut down until instead of an authorized Army of 125,000 we have a scant 113,000. Although only a difference of 12,000 men, who can tell but that even this difference might have been sufficient to have crippled the effectiveness of the plan in case of an emergency.

So it was with a feeling of thankfulness that I learned that the Army appropriation bill for the coming fiscal year provides for a force of not less than 118,750 men in the Regular Army, with the National Guard and Organized Reserves more liberally provided for.

I am not a militarist, but let me say right here that I have no fear of the bogey militarism. Under our form of government it would be impossible for the military to predominate; our whole tradition is against it. But I am an ardent advocate of adequate preparedness. Preparedness has never caused a war, nor has unpreparedness prevented one; on the contrary, unpreparedness encourages—not discourages—aggression, and it is far more expensive in life and property than keeping up a peace-time organization limited like ours is under the national defense act of 1920 to guard ourselves against unwarranted attacks. Troubles are mostly unforeseen; if foreseen, we might manage to avert them or prevent them; so it is against the unseen and unexpected we must guard. If that be militarism, then I am a militarist. I would avoid war, prevent war, but not by jeopardizing our national honor. I would not offend but always defend. I would resent any insult to our flag at any sacrifice, but I would continue to lend all our efforts to promote harmony and good will among the nations of the earth so long as we keep the purity of our flag unsullied. We want it neither dyed red nor tinged with yellow. We want to perpetuate for all time the principles on which this Government was founded, for all time insure "domestic tranquility and provide for the national defense." [Applause.]

Mr. HARRISON. Mr. Chairman, I yield two minutes to the gentleman from Georgia [Mr. LANKFORD].

Mr. LANKFORD. Mr. Chairman, this Congress can do nothing so important as the proper solution of the farm-relief problem. I am, therefore, submitting for the consideration of Congress and the country a brief digest of the McNary-Haugen bill, the Aswell bill, the Curtis-Crisp bill, and the Lankford bill, together with a few brief observations, and the main reason which will impel me to support my bill to create a Federal cotton corporation.

All the bills provide for organizations, salaries, expenses, and so forth, and the merits or demerits of each must be determined by the answer to two questions: First, will the organizations be and remain in the control of the farmers or their friends; and, second, will the organizations have authority to function in behalf of the farmers?

The Lankford bill creating a Federal cotton corporation provides that the directors of the corporation, dealing with any particular commodity, shall be selected by the President, by and with the advice and consent of the Senate, from nominees submitted by the governors of the States engaged extensively in the growing of the farm product to be handled, and that not more than one director shall be from any one State. Under the other bills the controlling organization can be made up of men from any part of the country. Some of the bills specifically provide that the directors shall come from different sections of the whole Nation. Especially is this true of the Curtis-Crisp bill.

It is fair to presume that the governors of the cotton-growing States, the wheat States, or the corn States are friends of the farmer, and that the nominees from which the appointments would be made will be farmers or friends of the farmer.

There is serious danger of the organizations under the other bills getting into the control of the enemies of the farmer. One way to win a battle is to capture the guns of the other side and turn them on the original owners; and one way the enemies of the common people control legislation is to capture it after it is passed and use it against those for whom it was enacted. I do not want that to happen with any farm relief bill we may pass.

Practically all of the bills provide for investigations, reports, conferences, per diems, bulletins, advice, and so on, but the farmer gets a sufficiency of these things now.

Will the farmer get a better, fairer price for his products is the true test of the merits of each bill. Why pass a farm relief bill at all if it does not relieve the farmer of his financial embarrassment, or if the bill is to operate to further relieve him of his hard-earned money instead of his distress?

Let us see what the various bills provide in the way of helping the farmer get a better price for his products.

The Curtis-Crisp bill says:

SEC. 10. The corporation receiving such advances shall make purchases of such commodity with the proceeds thereof only:

(a) When prices are below or, except for such purchases, may fall below the cost of production to efficient producers.

(b) Of those grades and qualities of such commodities, the production of which is desirable in the interest of the domestic consumers

of the United States, or for which normally a foreign market exists at a price showing a reasonable profit to an efficient producer thereof.

(c) So long as ensuing production of such commodity does not show an increase in planting or breeding according to the estimates of the Department of Agriculture of planting or breeding of the commodity.

(d) If the commodity so purchased shall be properly conditioned, preserved, stored, and safeguarded: *Provided, however,* That no such commodity shall be processed with the aid of advances made by the board in such manner as to produce a change of form except with the specific approval of the board.

(e) If every reasonable effort shall be exerted by the corporation to avoid losses and to secure profits on resales, but the corporation shall not withhold any commodity from the domestic market if the price thereof has become unduly enhanced, resulting in distress to American consumers.

This bill authorizes the corporation to buy commodities when they are selling below the cost of production. How will this help the farmer? He is selling below the cost of production now. All these years he has found plenty of buyers for his products at a price below the cost of production. Let us help him get more than the cost of production. Let us help him get what the product is worth. I wonder if he is to be allowed to add in the cost for the toil of his wife and children, who are generally supposed to work without pay.

Then, again, he must be an "efficient" farmer even to be allowed the privilege of selling below cost. I wonder what amount is to be paid for the products of the farmer who is decided by this board not to fall within their idea of an "efficient" farmer. I wonder what farmers in Georgia would be determined efficient by a board and the Secretary of Agriculture, many of whom have never seen my State, unless it be from a Pullman train, and who probably know very little, if anything, about the real problems confronting my people. Would a man running one, two, or three plows be efficient? What about a cropper or tenant? Must a man have a big bank account, own a Packard car, live in a brick house, and have all of his work done by machinery, operated by hired men, in order to be efficient?

Then, again, the corporation can not buy if there is an increase in planting. Therefore the corporation, if it had been in existence, could not have helped in the present cotton depression, and would not be able to buy in the future if there should be an increased production. In other words, the corporation could only buy cotton at a price which is a loss to the farmer, and could only exercise that august consideration for the farmer when there is a short crop and the farmer needs no help. But this is not all; the bill specifically provides that the corporation is to hold any cotton it may have bought at a loss to the farmer as a cudgel over the heads of the farmers if cotton goes up. The bill says—

the corporation shall not withhold any commodity from the domestic market if the price thereof has become unduly enhanced, resulting in distress to American consumers.

I am wondering what price would be considered as distressing to the New England and manufacturing officials who would probably be a part and parcel of the machinery set up by this bill.

The bill would give no help to the farmers when they need help, and provides that their prices shall be hammered down when things happen to go their way.

The Aswell bill provides—

SPECIAL CORPORATE POWERS

SEC. 11. A Federal agricultural export corporation is authorized, at such times, for such prices, and to such extent, as it deems advisable—

(a) To purchase the basic agricultural commodity in respect of which the corporation is established, and food products thereof.

(b) To construct, purchase, or lease, and to operate storage warehouses for such commodity and products purchased by the corporation, facilities for transportation (otherwise than as a common carrier) in connection with the storage of such commodity and products, and facilities for processing such commodity and products.

(c) To store and process such commodity and products.

(d) To export such commodity and products.

(e) To sell such commodity and products in domestic or foreign markets.

This is a wonderful improvement over the Curtis-Crisp bill. If I knew that the machinery to be set up by the Aswell bill would always be in the hands of the true friends of the farmer, I would indorse the main features of the bill unequivocally. It leaves the Federal agricultural export corporation to buy "at such times, for such prices, and to such extent as it deems advisable." The corporation could give the farmers the necesary relief. It might or might not do so. All would depend on who is at the steering wheel. Taken all in all, the Aswell bill is one of the best farm relief bills ever written.

Now, let us see about the McNary-Haugen bill. After providing machinery for determining that an emergency exists and that functioning should begin, section 6, subsections (d) and (e), provides—

(d) During such operations the board shall assist in removing or withholding or disposing of the surplus of the basic agricultural commodity by entering into agreements with cooperative associations engaged in handling the basic agricultural commodity, or with a corporation or association created by one or more of such cooperative associations, or with persons engaged in processing the basic agricultural commodity.

(e) Such agreements may provide for, first, the payment out of the stabilization fund hereinafter established for the basic agricultural commodity of the amount of losses, costs, and charges of any such association, corporation, or person arising out of the purchase, storage, or sale or other disposition of such commodity or out of contracts therefor, if made after such agreement has been entered into and if made in accordance with the terms and conditions thereof; and, second, the payment into the stabilization fund for such commodity of profits (after deducting the costs and charges provided for in the agreement) of any such association, corporation, or person arising out of such purchase, storage, sale, or other disposition, or contracts therefor. Any such agreement may further provide for the making of advances out of such stabilization fund to any such association or corporation for financing the purchase, storage, or sale or other disposition of basic agricultural commodities in accordance with the agreement.

To my mind, the provisions just read are not specific enough and leaves too much discretion that may be exercised wisely or abused. If the McNary-Haugen bill passes, I sincerely hope it may prove beneficial to the farmers. It may or may not work well. The real benefits proposed for the farmers are too speculative and do not appear with sufficient clarity. It provides for an equalization fee, levied in a manner and to an extent which I think totally unnecessary. This overcomes to some extent, if not entirely, the merit that is in the bill.

Now, we come to consider the Lankford bill to create a Federal cotton corporation. Let me say just there that it applies to cotton only. If it is good for this product, it can be amended so as to give the same help to various other farm products. Let us see if the plan provided in this bill is sound. It provides:

SEC. 8. That the corporation shall at all times stand ready to buy for cash and buy when offered short-staple cotton on basis good middling at 22 cents only per pound, provided such cotton was grown in the United States after the enactment of this act or prior thereto and offered by original growers or cooperative farm organizations, thus providing a minimum price for American-grown cotton. The corporation shall buy other grades of cotton at proportionate prices.

SEC. 9. That the corporation shall sell the cotton so bought at not less than cost, including storage, interest, and other expenses, plus 2 cents per pound.

But, you say, the Federal cotton corporation bill provides for price fixing. So do the others. It matters not whether you call it stabilizing of price or price exaltation or price fixing; the fact remains that all the bills provide machinery to raise or lower prices on farm products. The question is, Shall the price of farm products be "stabilized" or "exalted" or "fixed" at a loss to the farmer or at a profit to him, and shall we legislate specifically or shall we leave the farmer to wander in a field of uncertainty and speculation?

I like my bill because it is definite and purposely designed to help the farmer get a reasonable minimum price for his products. Why so much noise about price fixing? The tariff is a colossal price-fixing machine. Practically everyone now gets the benefit of governmental price fixing except the farmer. Why not include him? He is most worthy of any. You say my bill provides a subsidy; so do the others. Subsidies are very popular for everyone except the farmer. Why go into convulsions about subsidies every time a farm relief bill is mentioned? I favor the Federal cotton corporation bill, because it is clear cut and definite in its provisions and would give the relief other bills hint at, suggest, and propose. Other bills leave boards and commissions, which may be unfriendly to say when operation shall begin; my bill says, definitely, begin operation when the price drops to the minimum price fixed by law. Other bills leave the amount to be paid for the product in doubt; my bill says pay the farmer the minimum price of 22 cents per pound for cotton. Other bills propose to make a profit out of the article bought from the farmer; my bill only seeks to get back money paid out in interest, storage, and so forth, and lets the farmer get the profit when he sells. My

bill does not provide for hammering down prices when there is a small crop and prices go above the minimum. Other bills do. All the other bills provide in an indefinite manner for buying cotton or otherwise taking it off the market. The Federal cotton corporation would be authorized to take the entire crop off the market if neccessary. Under the other bills cotton might be taken off spasmodically from time to time and not at all stabilize or raise the price. The Federal cotton corporation bill would never let the price drop below the minimum and would buy enough cotton to hold it at the minimum and to force the price upward. No one knows what the farmer would get for his cotton under the other bills; there is no doubt what he would get under the Lankford bill. He would get 22 cents per pound or better. The other bills provide for others by organization to make profit out of the farmer's products; the Federal cotton corporation bill provides for the farmer to get all the profits. The other bills provide for loans to enable the farmer to hold his cotton and pay storage, interest, and so forth. My bill says pay the farmer a reasonable price and he will not need to borrow money, but will have money of his own. The Federal cotton corporation bill proposes to pay the farmer not only what it cost him to make the cotton, but a reasonable price for it by purchasing it at its real value. My bill sets up a plan to pay the farmer a reasonable price for his cotton and let the corporation hold it and get interest, storage, and other expenses out of the manufacturer or exporter who buys it later rather than out of the pockets of the producer.

Any plan to loan money to enable the farmer to carry his cotton, means for him to pay interest, storage, and other expenses, with the possibility of a further decline in prices and at the same time being deprived of money he so sorely needs. Let the manufacturer and the exporter pay the farmer what his products are reasonably worth, or let them pay the Federal Cotton Corporation to hold the product for him.

I very much fear any plan will fail to help the farmer get a reasonable price for his product at all times unless that plan provides an organization with sufficient funds to buy at a minimum price the entire output of the product to be handled, if it is necessary to do so in order to stabilize the price at the minimum. The necessary funds must be available to handle the whole crop, if necessary, when the emergency arises. What is an emergency and when it exists should not be left open to speculation or theorizing and to be determined as a matter of fact, but should be settled as a matter of law by the naming of a minimum price at which and for which the organization should begin to buy. Most of the proposed farm relief bills leave so many issues to be determined, so many discretions and powers to be exercised, so much red tape to entangle the farmer and the benefits to flow to him so indefinite and uncertain, until I very much fear in most instances the farmer would be forced to sell his product at a sacrifice, while the organization set up to aid him would be investigating, determining, and adjudicating that which must be determined under the particular bill before operation would be authorized. In other words, I am wondering what would happen to some of my good cotton-growing friends with cotton for sale, with prices below the cost of production and with debts pushing them from every side, if some of the proposed bills were in force. I think I know what would happen; they would be forced, as usual, to sell their cotton at a loss.

The patient would die for lack of a little proper attention while a houseful of expensive doctors are busily engaged discussing irrelevant issues, talking about when, where, and how to operate and the amount of charges for the services rendered and to be rendered. Some of the bills provide only for the farmer's expensive pallbearers and highly pleased funeral attendants.

The most vicious bills are those which plan machinery to make a profit out of the farmer's distress rather than help him make a profit out of the sweat of his face. The farmer's chief trouble now is that everybody has climbed into his wagon and are riding not only free, but are charging heavily for a ride. Let us not give the farmer greater burdens. Let us free him from some of his load.

The Curtis-Crisp bill provides that the corporation "shall make purchases of such commodity" only "if every reasonable effort shall be exerted by the corporation to avoid losses and secure profits on resales." It thus appearing that the chief purpose of the organization would be to make money out of the crops of the farmer. What the farmer needs now is relief from those who make money out of him. He does not need a gigantic governmental organization specifically designed and empowered to speculate on him. The greatest way "to avoid losses and to secure profits on resales" is to buy at the lowest possible prices. There is no doubt that the corporation authorized by the Curtis-Crisp bill would do this. In fact, as I have pointed out, the bill provides—

> The corporation receiving such advances shall make purchases of such commodity with the proceeds thereof only; when prices are below or, except for such purchases, may fall below the cost of production to efficient producers.

There can be no doubt that the corporation would buy at prices below the cost of production. It would have authority to do this and then it would be in so much better position to make profits on resales. Some may argue that the corporation, under the language quoted, could buy just before the price dropped below the cost of production. There is no difference between giving a dose of medicine just as the last breath leaves a dying man and giving medicine just after he is dead. Why provide that prices should get so low before beginning to buy? Why not leave the corporation free, as in the Aswell bill, or provide it shall buy the product at what it is reasonably worth and at a price in keeping with the price of what the farmer buys? Why not provide that the corporation shall buy at a price which will be profitable to the farmer, rather than profitable to the corporation? Better still, why not provide that the corporation shall begin buying when the price drops to a reasonable minimum price and shall buy at that price?

Even if it be conceded that, perchance, the corporation under the Curtis-Crisp bill could and would begin buying before the price dropped below the cost of production, then when and where would the buying begin? Would the corporation let the efficient farmer make one cent a pound extra on cotton, or would it hold him down to half a cent or to a quarter of a cent profit? Then the question comes again, Who would be efficient and what would become of the unfortunate fellow the board decreed to be inefficient? Why pass a bill with provisions capable of so many constructions? Why support a bill with ambiguous language? Do we not all know the ambiguity would be construed against the farmer? Of course, the corporation would only buy at a price below the cost of production. One of the authors of the bill, in his statement before the Committee on Agriculture of the House, used the following language—

> Now, gentlemen, there is this limitation: This board can only lend out of the revolving fund, money to purchase a commodity and store it when the board has decided that the commodity is selling below the cost of production to an efficient producer, and when the acreage of that crop in the year succeeding the emergency year has not been increased over the acreage of the emergency year. Now, there is a check on overproduction.

There is the milk of the cocoanut. The authority and purpose would be to buy below the cost of production because it would be more profitable to the corporation. The bill says so, the author says so, and furthermore, if the product is bought below the cost of production, it is claimed this would curtail the farmer's crop. I do not believe he would curtail because he loses on his crop. He has been losing all these years, and the acreage throughout the country was very large last year. Then, again, why set up a big machine at great expense to make profits out of the farmer and try to force him to cut his crop by making him lose on it? That plan is being tested now without so much expense and trouble. The losses on farm products cause some to curtail and some to quit altogether; and yet others increase, and again and again comes the overproduction.

Speaking of equalization fees, I am as much opposed to them as anybody; and yet I much prefer a fee of two or three dollars, or even a little more, per bale on cotton to create a fund to help the price of cotton rather than a fee of the difference between the price of cotton selling below the cost of production and a reasonably profitable price to the producer of from $20 to $50 a bale. I am reluctantly inserting in my bill the authorization of a fee only on the excessive acreage the farmer plants, and I am doing this only because he would be permitted to plant a reasonable acreage without any fee and would get a reasonable minimum price for what he does produce.

Again the author of the Curtis-Crisp bill says:

> When it is known that the Government will furnish aid to buy a commodity that is selling below the cost of production to efficient producers the bears will not try to run it down to below that.

This is true; and yet the price of cotton or other farm products could be stabilized or fixed at a reasonably profitable price to the farmer just as easily.

Again I quote from the same statement before the House Committee on Agriculture, as follows:

Then this bill, Mr. Chairman, seeks to protect the consumer and the user of these raw materials to the extent that if there is a short crop, if there is not available a carry-over surplus, the price may be skyrocketed, and the bill provides that when the price is above a reasonable profit over the cost of production that this corporation then shall feed the surplus of this commodity to the trade, and that would make money for the corporation.

Thus showing again clearly the purpose to hammer down the price of farm products when they happen to go up and the purpose of the corporation to buy and operate for a profit.

To my mind a farm relief bill is either good or bad as it helps the farmer get, keep, and enjoy better prices for his products and puts him in a financial equality with other folks or as it fails in these purposes. As I read each bill, I see the farmer again and again with his cotton and burdens, and ask myself how, where, and when will the bill help him. In contending for the Federal cotton corporation bill and in my every argument here and elsewhere for farm relief I am only pleading for legislation for the farmer and no one else, but fair to all. Of course, when we help the farmer we help all, for the farmer supports all, just as his suffering is felt by all to a limited extent. I want, though, legislation specifically designed for the farmer, with only the incidental or indirect benefits going to others. I am thinking in terms of the farmer, his wife, and children, and hoping that the light of justice may yet shine for them, in the full realization and enjoyment of the happiness, peace, and prosperity which are justly theirs. [Applause.]

Mr. HARRISON. I yield 20 minutes to the gentleman from Mississippi [Mr. LOWREY].

Mr. LOWREY. Mr. Chairman, I guess it is proper that the remarks I shall make should follow the remarks of the gentleman from Virginia [Mr. MOORE] and the lady from California [Mrs. KAHN]. We occasionally hear utterances upon this floor that are decidedly derisive of pacifism. It is possible that when I have finished the remarks that I wish to make this afternoon some may be inclined to call me a pacifist. I do not know but I am inclined in the outset to paraphrase the language of the estimable lady from California and say, if this be pacifism, make the most of it.

Mr. Chairman, again we are face to face with the question, perhaps the duty, of making enormous appropriations for national defense. I am not willing that we shall ever pass over this part of our annual legislative program without reminding ourselves and our fellow citizens of certain considerations which to me are oppressively serious.

We have recently passed the Navy appropriation bill which came to us from the committee with a demand, in round numbers, for $318,500,000. Now we have the Army bill which calls in round numbers for $279,000,000. Our appropriation for pensions was two hundred and twenty-one million, and for the Veterans' Bureau four hundred and seventy-three and a half million. These are approximate figures. They do not quite reach the real total. But it means practically $1,300,000,000 already appropriated during this session of Congress along military lines. By the time we finish all appropriations, including deficiency bills, I judge this will reach a grand total that will average $12 for every man, woman, and child in the Nation. Observe too, please, that this does not include payments of interest or principal on our immense public debt, which has come on us largely through our wars.

We think of the billions that we expended in the immediate prosecution of the recent World War and then of the ponderous postwar costs which mean years of debt and taxation following every war in which a country engages. Practically all the countries of the world owe their present heavy debts and burdensome taxes to the wars in which they have been involved.

In the Civil War the United States Government spent about eight hundred million dollars of Federal revenues and accumulater a debt of three billion. This takes no account of the millions spent and the millions of ruin suffered by the Southern Confederacy. But in the 61 years since the close of that tragic struggle we have expended more than $6,000,000,000 on the one item of pensions for Union soldiers and their dependents. This again takes no account of the millions spent in erection and maintenance of soldiers' homes and hospitals, the establishment and care of national cemeteries, the surveying, marking, and upkeep of military parks on the battle fields, and the erecting of monuments, statues, and memorials everywhere. And again there comes the heavy additional expense in the administration of Government, which follows for years after every war. These many items combined always mean, in the end, a postwar cost which exceeds the immediate cost of an armed conflict. The expense of our Civil War had just begun when Lee surrendered to Grant. The money finally expended would have bought and freed the slaves several times over, to say nothing of the cost in bloodshed, suffering, sorrows, and animosities. There is a heavy moral cost, too, because practically every war is followed by a period of social and political disturbance attended by lawlessness and crime.

The World War has been over now for about eight years. In that time we have spent on the various lines of veteran relief, according to the estimates, about $1,000 for every man that enlisted in the American Army. And still every session of Congress is urged to appropriate further millions for new hospital buildings, broader compensation provisions, and various plans for dealing more liberally with the ex-service men.

Here let me say again, I am for the ex-service men. I have five sons among them [applause], and I am for the sons of my neighbors, my constituents, and my fellow citizens who offered their lives to save our country and the world in that time of supreme peril. Yet we, who have the responsibility of directing public affairs, need to realize there is a limit to our liberality, even in dealing with the interests of the soldier boys. The widows and orphans of those who die should be properly cared for, and those who are suffering from disabilities incurred in the service should be compensated liberally. Yet we must remember that every dollar which we appropriate must be paid by somebody. Much of it must come from widows and orphans, and from hard-pressed, struggling laboring men who, especially in these days of agricultural depression, are fighting hard to meet the necessities of life. No honest, manly ex-service man who is not really disabled is willing to be placed in circumstances of ease by money wrung from the needy masses. And if any do want such things, we wrong their braver and more honorable comrades if we make laws to encourage that spirit.

An English statesman once referred to the ruinous policy of training a citizenship to the idea of boring gimlet holes into the Treasury and then seeking as rapidly as possible to enlarge them into auger holes. My observation is that the whole pension policy tends towards this evil and that lawmakers need to guard very carefully against legislation that encourages such a tendency. Let me illustrate. Some time ago I talked with a woman who was a widow for the second time and had been married to two Civil War soldiers. Of course, she was receiving a pension. She was not born until about the close of the Civil War, or a little after. If her married relations were happy, as I judge they were, she was advantaged and not disadvantaged by her marriage to these two brave veterans. And now that they had both gone to their reward she was receiving a liberal pension for life from the Government which they served. Yet, she was complaining that her $30 a month gave her a scanty living and blaming the Congress for not making it $50 a month. It did not seem to have remotely occurred to her that she personally had never really rendered any service to her country in consideration of which they owed her a support, or that there might be any injustice in extorting a tax from other less fortunate widows in order to give her a liberal subsistence. For my part I question if it is a sound governmental policy to pension soldiers or soldiers' widows who are physically and financially capable of self-support.

And I doubt if any brave and independent man ought to be willing to accept a pension paid largely by his fellow-citizens who are less fortunate than he.

But I especially wanted to discuss another phase of this national-defense question. In 1915 I was traveling on a train out West with ex-Gov. James K. Vardaman, who was then a United States Senator from Mississippi. The war was raging in Europe, but we were all hopeful that our country should be able to keep out of it. In the course of conversation, I said something like this: "Senator, when this war is over our country will have the greatest opportunity ever offered to any nation for rendering a great service to the other nations of the world. The European powers will all be exhausted almost to helplessness. The United States will be by far the richest Nation in the world and the Nation best able to construct and maintain great military establishments and naval armaments. In that we will have a great opportunity and a great obligation to lead the world in a disarmament move. We will be in position to say to the other nations, 'We're able to maintain great armament, but you are not. We are not willing to lead you or to force you to carry a great burden of military preparedness. Come, let us all get together and bind ourselves by agreement that we will quit this folly"!

I am not fully satisfied with the way that my country has met this opportunity and discharged this weighty obligation. I am sure that we might have done vastly more than we have done to relieve ourselves and our sister nations of the greatest single burden that any of us are carrying. But I want to see

America lead the world toward the great objective of abolishing war, of settling international differences at the council table instead of on the battle field, and of turning our great streams of revenue to the arts of peace rather than to the barbarity of war. For this reason I am for the League of Nations, the World Court, the disarmament conferences, and every other move which promises to bring the nations into closer bonds of mutual understanding and mutual friendship. [Applause.] I may be somewhat extreme on this question, but I would rather risk my country's going a little too far in the matter of trusting other nations and diminishing our Army and Navy than to see her lead or drive the other nations into burdensome armaments and to cultivate the spirit of distrust, suspicion, and disagreement among the governments of the world.

We have just passed the rivers and harbors bill, which some thought extravagant in the matter of appropriations to our waterways. Yet the money which we spend in one year on war costs and military expenses would complete all the waterways program which we have laid out before us for the coming years. Some of us hesitate on the amounts suggested for agriculture relief. And yet these amounts are small compared to our military expenses. We make appropriations which some deem extravagant for public highways, but the money which we are spending on our Army and Navy would very rapidly give us all that our country needs in the way of hard-surfaced roads. Many of our colleges are struggling for existence and in most of the States our public schools are far short of what the people want and need. The money which we are spending from military causes and for military purposes would soon meet the full demands of our people educationally.

I do not mean that I am in favor of the immediate abandonment of all equipment for national defense, but I do mean that we who have such responsibility in the conduct of public affairs should realize the full burden and the full curse of militarism and that our great and favored nation should never rest satisfied until by example and cooperation we have led the world into the broadest possible program of disarmament. [Applause.]

Mr. CLAGUE. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, the subject I wish to discuss is one that can not be discussed comprehensively and adequately in five minutes. It is a subject with which every family and every person in this country is more or less interested.

Mr. Chairman and Members of the House, there has been introduced in this session of Congress a bill known as the Parker bill. This bill seeks to control the coal industry of the country. Two similar bills, known as the Treadway bills, were introduced in the last session. One of these bills deals with anthracite coal and the other deals with bituminous coal. The Parker bill deals with the coal industry generally, including both anthracite and bituminous coal.

It is patent that the Parker bill represents the idea of those demanding control of the coal mines by the Government upon the appearance of an emergency. This bill is introduced in an attempt to allay the opposition manifested against the Treadway bills. The principle advocated in the Treadway bills is too well defined to admit of imitation. The Treadway bills are, in some respects, less obnoxious than the Parker bill, for the Treadway bills recognize that there is a difference between the conditions surrounding the mining and marketing of anthracite coal and the mining and marketing of bituminous coal. The Parker bill does not recognize this difference. This difference is fundamental in the consideration of the relief claimed to be sought by this legislation. The anthracite coal mines are owned and operated by a comparatively few persons and companies and the area comprised by this industry is not more than 500 square miles. The product is restricted greatly in its market. All this tends toward a monopoly. But when it is considered that there are several ready and quite satisfactory substitutes for anthracite coal, the public is not seriously endangered, even if there is a shortage in the supply of this coal. No monopoly can thrive where a ready substitute for its product is available. It is not my purpose to deal with anthracite coal in this discussion only to show that the Parker bill is not necessary for the control of this industry, for it is easily controlled by the ordinary laws of economics. The anthracite industry is a compact one with its marketing well in hand. The bituminous industry is quite the contrary. What is good for the anthracite industry to make it respond to the best interests of the public is not good for the bituminous industry. This is the first fault I find with the Parker bill.

I might say, however, that the Parker bill, and I understand the Treadway bills have been heard by the committee, and that the committee has decided not to report either of these at this session.

The bituminous-coal industry will not admit of a ready monopolizing regardless of whether any substitutes can be easily supplied. Scattered as it is all over the country; owned by thousands of different people and companies; producing coal under hundreds of plans and systems; marketing its product under the worst price-slashing competition known in any industry, its ills result from practices directly opposite to those obtaining in the anthracite industry. The bituminous-coal industry needs no critics. It recognizes its floundering condition better than anyone outside the industry can possibly recognize it. This is one of the Nation's most deserving industries. It does not need Government control. It needs constructive assistance from all available sources, including the Government. It does not thrive on threatening investigations or governmental interference. No industry does. The Parker bill would only be an additional burden. It is intended as a burden.

From whence comes this agitation for Federal control of the coal mines in emergencies? It does not come from coal consumers in sections where the coal-mining industry is understood. This movement will, I think, be opposed by every Congressman who has a personal knowledge of the conditions surrounding the coal industry. Neither does it come from the coal operator or the coal miner. It comes from the certain parts of the country where no coal is produced and where the people have no practical ideas or knowledge of the coal industry. Many of these people have the idea that the coal miners are a class of lawbreakers and anarchists, and that the coal operators are a bunch of merciless profiteers. When we consider the fact that the price of bituminous coal at the mine is from $1.50 per ton to $2.50 per ton and that the price of the same coal in New York and New England is sometimes as high as $15 per ton, it is evident that the profiteering is at the other end of the line. When regulation of this industry is contemplated, it should be directed toward the $12 or $14 added on after the coal leaves the mine and not to the $1.50 or $2.50 put on for mining and producing the coal. An investigation of the costs of transportation and marketing would no doubt be more productive of good than an investigation of production, and it would also be much more interesting.

It is estimated that out of every dollar of the expense of putting coal on the car, 75 cents goes to the miner and 25 cents goes to the operator and owner as royalty and profit. The proportion between the cost of production and the cost to the consumer is so disparaging that it goes without saying that the investigation should be of the spread between the price of production and the price at the boiler room or in the home.

This agitation is founded upon the supposed right of the people of some sections of the country to have an easy, uninterrupted supply of coal at a low price without regard to profiteering among themselves in the marketing of the same, and without regard to their isolation from the points of production, and without regard to the rights of the producers of this commodity who are engaged in the most hazardous and most spasmodic of any of the larger industries of the country. Why should New York and New England be considered to have the right to an uninterrupted use of coal under the pretext that an interruption is an emergency and will work a hardship and cause sickness and chilling among them, while the Ohio miner, who has worked only about one day out of five in the past three years, and his family, feel the constant pinch of poverty. Chill penury is colder yet than lack of fuel. Coal miners in the Hocking Valley and in the Pomeroy Bend in my district in Ohio, who have not worked on an average of three months in the last three years and who must purchase clothes and shoes made in New York and New England, have as much right to complain and ask for Government control of the factories that manufacture these articles because they are confronted with a real emergency, because they have not the money with which to purchase these articles. The Government is not a guarantor against emergencies in private matters or in public matters. The miners of Ohio have been confronted with a real emergency for the past three years and no congressional action has been sought by them.

Let us analyze the Parker bill. The first four paragraphs of this bill would lead one to believe that our great Government and its agencies are in grave danger from this weak, staggering industry, and that we need to set up another bureau in our Government to take care of matters arising out of this business. The people of this country long for surcease from this mania to "bureau" everything and inspect and investigate everything and everybody. The last annual message of President Coolidge, delivered at the opening of the present session of Congress, contains a paragraph that is apropos:

I am in favor of reducing, rather than expanding, Government bureaus which seek to regulate and control the business activities of the people. Everyone is aware that abuses exist and will exist so long as we are limited by human imperfections. Unfortunately, human nature can not be changed by an act of the legislature. When practically the sole remedy for many evils lies in the necessity of the people looking out for themselves and reforming their own abuses, they will find that they are relying on a false security if the Government assumes to hold out the promise that it is looking out for them and providing reforms for them. This principle is preeminently applicable to the National Government. It is too much assumed that because an abuse exists it is the business of the National Government to provide a remedy.

It is not necessary to burden the statute books with a lot of useless directions as to the authority of one department of Government to secure statistics, data, or information from some other department of the Government as this bill provides. If there is any legislation needed, it is not for the establishment of more bureaus to require more needless and useless and ofttimes foolish regulations for an already over-regulated public. The Bureau of Mines is now able to furnish all needed information. And who is it that thinks that the Interstate Commerce Commission needs more work or more authority? Its primal need is of a cutting away of a lot of red tape, so that it may be able to recognize the rights of the people occasionally, even though it can not hear the voice of the people.

The terrible and unreasonable punishment to be imposed by this bill upon those who fail to file reports on time is in line with the other provisions of the bill. This punishment would indicate that the author of this bill fails to realize that the men and operators engaged in the mining industry rank with the best in their loyalty to our Government. A maximum fine of $5,000 and one year imprisonment for failure to disclose records is unreasonable.

Section 4 of this bill provides for another expensive and useless bureau.

Sections 5 and 6 are the real heart of the measure. They follow the Treadway bills in their essentials. These sections seek to provide a means whereby the President can take charge of the mines of the country in an emergency. If this principle is employed in the mining business, it can and will be employed in other fields of endeavor. Already the cry is that the Government is becoming too paternalistic. We have heard much of late about an emergency existing in the farming industry of the country. Does anyone argue that the President should take over the farming industry of the country? The same will apply to almost any industry, for emergencies arise in all industries.

There is nothing about the coal industry that needs give us concern that future strikes or labor troubles will be fraught with any more dangers or disadvantages to the public than those of the past. Strikes arise from differences between operators and miners in union fields. Nonunion fields are not much concerned. In 1922, 60 per cent of the coal mined was mined by union miners. In 1926 it is estimated that 70 per cent of the coal mined was mined by nonunion miners. Should the union miners strike the nonunion miners could easily supply the demand. The miners in Ohio and some other sections have been virtually on a strike for about three years and the coal supply of the Nation has been produced without cessation. It is plain, therefore, that there is no foundation for the fear of an emergency from a dearth of coal. Then why go to the extreme of passing a law which is a clear departure from any law ever enacted heretofore, and thereby make a new epoch in congressional enactments?

The relations between the operators and the miners are becoming more amicable. Witness the fact that although there is a technical strike on in Ohio still with this recent advance in the demand and price of coal the Ohio miners and operators got together and soon had the mines in operation. The high price of coal to the consumer can not be placed at the door of the operator or miner. Then why not place the blame where it belongs, if there is any blame? As heretofore stated, inequalities come from: (1) profiteering by retailers; (2) inequalities in freight rates; (3) isolation from points of production. Each of these causes must be met with a different remedy.

The coal industry in Ohio has a meritorious complaint against the Interstate Commerce Commission for establishing rates that allow the Kentucky and West Virginia coal fields about the same rate as the Ohio fields, although their coal in going to its principal market at Lake ports must be hauled in some instances 300 miles farther than the Ohio coal. This discrimination against Ohio coal fields has contributed largely to reduce the production in those fields by 50 per cent, while it increased the production in the other fields by nearly 50 per cent.

Our experience with Government control of the railroads only a few years ago ought to convince any one that no such steps should be taken in times of peace. Rehabilitation and not destruction should be the aim of all Government interference. There are millions of dollars now invested in mines that are fast passing into disuse and by the inexorable law of change will soon pass into decay. Within the reach of these operations are millions of tons of coal that will be forever lost as a national asset unless something is done to rehabilitate this industry. Who is bold enough to argue that Government control will do it?

I am not ready to say that we have any constitutional right to prevent the opening of new coal fields until those already opened are exhausted. But I will say that this would go far toward stabilizing the mining industry, and would rescue the miners and operators from a real emergency which they are now experiencing. It is quite as much within the function of Congress to do this as it is to seek to rescue certain sections of the country from what is not a real emergency and is not even a well-grounded fear of an emergency. The governmental agencies can, however, refrain from offering every encouragement to the development of new fields greatly to the injury of old fields. If any encouragements are to be granted, these should go to the old fields, so as to protect invested capital and conserve national resources.

The struggle between the miner and the operator for years has been principally over the recognition of the union. This has been a struggle over a principle. These miners have maintained their right to bargain collectively. This Parker bill is built around the principle of arbitration. It is well recognized that a principle can not be arbitrated. Questions concerning conditions and wages might be arbitrated. This principle has been accepted in the union fields. The Parker bill does not contemplate any intervention in the nonunion fields. Therefore, this principle is the real question involved. If the bill passes, the President will be forced to intervene upon the slightest pretext. What will he do about wages? Will he be able to fix wages and then make men work for the wages he fixes? Will he not be rather forced to pay the wages demanded by the men? Can he man the mines with soldiers and sailors? Is it not the history of all countries that the Government pays the highest price for the least service? If so, then where do the consumers of coal expect to profit in any way by Government control? The higher the cost of production, the higher the price. Why throw upon the President the duty to fix wages in the mining industry when the very life of trade has always been dependent upon the ease and alacrity with which the seller may deal with the buyer? In this case the seller is the miner and the buyer is the employer.

What will the President do with the mines after he has taken them over? This Government, with all its wealth, could not withstand the financial drain that would accompany Government operation of all the mines. Government control once taken by the President will mean continued control. The proponents of this bill surely do not desire this consummation. Secretary Hoover in speaking of this question said:

If we ever take over the mines in an emergency they will never get out of the hands of the Government. The ultimate loss to the workers and to the public through public operation would be infinitely greater than those that could arise out of these temporary quarrels.

Since the public is much better prepared to meet the conditions attendant upon a strike than formerly, and since the ills attendant upon a strike are not so many or so severe as formerly, and since the chances of a strike are not nearly so favorable as formerly, then why the haste and hurry to throw our Government into a useless and utterly unnecessary experiment? This experiment will embarrass the Government. It will stifle the initiative of the coal operators. It will disorganize the union of the miners; and whom will it profit? Nobody. Operating coal mines is not the function of government. That should be left to the individual genius and initiative of man.

The mining industry has failed to establish itself upon a solid commercial footing so that it might protect itself from ruthless and wasteful methods of competition and against excessive production of coal. Coal is a staple commodity, and it is agreed that those producing it should be able to control its production so that the public could always feel assured of a sufficiency at a price fair to producer and consumer. A survey of the industry will, however, show that from the widespread location of mines and widely differing conditions of production it is the most difficult of all industries to coordinate and systematize. In 1918 the maximum production of coal was reached in this country. Five hundred and seventy-nine million tons were mined. While this was the banner year, only a little over 50 per cent of the capacity was produced. The maximum capacity of bituminous mines was reached in

1923, when 970,000,000 tons could have been mined. In that year the mines only operated 127 days. In 1925 the mines produced 520,000,000 tons and only operated 195 days. In Ohio in 1920 the mines produced 45,870,000 tons with 50,857 men working 188 days. In 1925 the production in Ohio dropped nearly one-half, or to 28,034,000 tons. This amount was produced by 38,638 men working 151 days. The Ohio Coal Commission in its report says that there are 30,000 idle miners in Ohio and that there are 200,000 idle miners in the United States; that only about 12 per cent of the minable coal in the United States has been mined.

While our country has grown to be the greatest country in the world, the consumption of coal has not kept pace with the other growth. This is accounted for by the fact that other articles of fuel have been found to take the place of coal. Much coal has been saved by fuel-saving devices. In many instances 1 ton of coal will produce as much energy as 10 tons would produce formerly. Coal is also being prepared in many different ways now to produce more energy, such as briquetting and pulverizing and coking. The mine industry itself has effected many labor-saving devices, so that much more coal is produced at the same expense than formerly. The man power at the mines is now 67 per cent more productive than it was 30 years ago. All these improvements have tended to create a surplus of miners and a surplus of coal. That is the disorganizing influence that the industry and the miners must remove. With a scarcity of oil and gasoline that must inevitably come; the industry may hope for some betterment from this source. This is only . remote hope at the best. I feel that rehabilitation will not come until millions of invested capital have become a total loss and until millions of national wealth are lost forever; but this is a condition noted occasionally in the ruthless advance of the chariot of progress. Millions of feet of fine timber fell before the ax of the pioneer in this country and was wasted that the chariot of progress might drive on. Why despair? The coal supply of the world is almost inexhaustible. The mine industry may be able to coordinate its activities and may rehabilitate itself. Let us hope as much. By a modification of freight rates so as to equalize opportunities and by a better marketing policy it may be able to curb the nefarious profiteering indulged in by the retailers in the sections represented by some of the distinguished proponents of the Parker bill. With this accomplished, the industry will become more stable and more profitable without increasing the price to the consumer. The industry is in bad shape, but the remedy of Government control is far worse than the disease. The medicine will not cure, but is very sure to kill. Mining is a hazardous business, and the motto "Safety first" is a very pertinent one. Legislating is a hazardous business also when new fields are being invaded, and "Safety first" is then a pertinent motto. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. HARRISON. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. BRAND]. [Applause.]

Mr. BRAND of Georgia. Mr. Chairman and gentlemen of the committee, I want to discuss and explain the provisions of the bill which I introduced before the holidays, at this session of Congress, the object of which is to protect depositors against losses when member banks in the Federal reserve system fail or become insolvent.

This bill is now pending before the Committee on Banking and Currency, of which I am a member. I do not know whether I shall succeed in getting a hearing before the committee at this session or not; but if not, I intend to do so at the next session or the country shall hear from me, and know why I do not.

Next in importance to the problem of farm relief and to the necessity for legislation to avoid a collapse of the agricultural classes of this country is the problem of bank failures and the necessity for appropriate legislation to protect depositors against loss.

There being so much misinformation and the want of information on the part of many intelligent business men and prominent editors in this country, and even among bankers and Members of Congress, in regard to the provisions of the bill I have introduced, the object of which is to insure depositors in member banks of the Federal reserve system against loss upon insolvency of banks, I have decided it will not be out of place to briefly explain the material provisions of this bill.

The bill is H. R. 14921 and entitled:

A bill to amend section 7 of the Federal reserve act, as amended, for the purpose of insuring depositors in member banks of the Federal reserve system against loss—

a copy of which is carried in the RECORD of December 16, 1926.

A prominent official of one of the largest banks of Atlanta, one at Athens, and a high banking official of a great public institution of Georgia, and an outstanding Democratic Member of Congress have expressed opposition to this bill, basing their opposition upon the assumption that the bill makes the strong banks protect the weak banks. This is exactly what it does not do. It is a misconception of the provisions of the bill.

The ultimate end to be accomplished by this proposed legislation is to give complete protection to depositors in the member banks of the Federal reserve system by creating a fund which will be set aside as a guaranty to depositors that they will be fully protected against loss upon the failure of any bank in the Federal reserve system. If the confidence of the people in the banks of this country is to be maintained, it being at low ebb in many sections of the country at this time, some legislation must be enacted by Congress to guarantee that depositors will lose nothing when any of these banks become insolvent.

There is no provision in this bill which requires the strong banks to protect the weak or puts upon the strong banks any burden of this character. This is probably the only objection which has ever been urged against the Nebraska law, which was so lucidly explained several days ago by the gentleman from Nebraska [Mr. HOWARD]. Though there have been numerous failures of banks in the State of Nebraska during the last several years, by reason of this law no depositor has ever lost a dollar.

My bill gives protection against bank failures whether on account of stealing, embezzlement, mismanagement, or bad judgment on the part of officers and against any fraudulent and illegal conduct on the part of officers, employees, or directors of banks in the use and misuse of the money of the people.

There is one thing just as certain as death and taxes, so far as bankers are concerned. They want protection, and they demand it when they hand out their money. I do not criticize them for this, but why not put the depositors in the same attitude and in the same zone of protection when the bankers take their money, especially as the deposits help build up the banks and keep them going and without the depositors getting any interest at that unless from savings banks.

For the purpose of establishing the depositors' guaranty fund provided for in the bill there is authorized to be appropriated out of the Treasury of the United States a sum not in excess of $50,000,000. Such sum, when appropriated, shall be advanced by the Secretary of the Treasury to the guaranty deposit fund.

The bill further provides that this fund shall be decreased from time to time by the franchise tax which, under the present law, the 12 Federal reserve banks are required to pay into the Treasury of the United States out of the net earnings of these banks.

This fund is not available for use at this time for the purpose of creating the depositors' guaranty fund, because, under the law establishing the Federal reserve act, it has been used for the purposes set forth in section 7 of this act.

The total amount of this franchise tax during the year 1926 is $818,150.51.

The scheme of this bill is, and provides as this franchise tax accumulates from year to year, that the amount of the yearly payments thereof is to take care of that much of the guaranty fund appropriated from the Treasury. For instance, if this bill had been enacted into law at the time of the payment to the Government of the $818,150.51 by the Federal reserve banks, this amount would have been placed to the credit of the $50,000,000; the depositors' guaranty fund, at which time and when this was done the Secretary of the Treasury would thereupon have taken out of the depositors' guaranty fund the amount of this payment and placed it back in the Treasury. When this franchise tax amounts to as much as $50,000,000, no part of the funds of the Treasury will be used any longer for the protection of the depositors, but this franchise tax fund will take its place and thereafter be treated as the depositors' guaranty fund. However, this fund can at no time exceed $75,000,000, and at no time be less than $25,000,000. Subsequent payments of the franchise tax in excess of $75,000,000 shall be thereafter paid into the Treasury of the United States. In short, this franchise tax in the end will become the depositors' guaranty fund, in which case this fund and this alone will be the protection and the guaranty against loss to depositors of insolvent banks.

In the scheme of protection and guaranty against loss provided for in this bill, when a bank becomes insolvent the de-

positors will be paid the full amount of their deposits without any cost to them and without any additional liability being put upon the stockholders. No national bank, no State bank member of the Federal reserve system, neither one of the 12 banks of the system, and no officer or stockholder of any of these banks would lose a dollar by this scheme of protection.

No part of the net earnings of the 12 Federal reserve banks, except the franchise tax, is taken in order to create this guaranty fund. So far as this act is concerned, excepting the franchise tax, the net earnings of the Federal reserve banks are left undisturbed.

Paragraph E, on page 3, provides whenever a member bank of the Federal reserve system is placed in the hands of a receiver or liquidating agent the Federal Reserve Board shall investigate and estimate as soon as practicable whether the assets of such bank, together with such amount as may be realized by enforcing the liabilities of the shareholders, officers, and directors thereof, will be sufficient to pay the depositors in full. Upon the basis of such estimate, the board shall make payment to such depositors from the guaranty fund of amounts, which, in the opinion of the board, will not be realized for the benefit of the depositors from such sources.

(f) If upon final settlement of the affairs of any such bank the assets, together with such amounts as may be realized by enforcing the liabilities of the shareholders, officers, and directors thereof and amounts paid from the depositors' guaranty fund under subdivision (e) are insufficient to discharge such bank's obligations to depositors, the Federal Reserve Board shall pay to such depositors from the depositors' guaranty fund such amounts as may be necessary to make up the deficiency.

If this bill becomes a law hundreds and hundreds of State banks which are not now members of the Federal reserve system will imediately apply for membership. The bill will thus have a tendency to strengthen the system, which at present it stands in more or less need of. The system is languishing now because so many State banks are not members of it. Hundreds of banks in the United States are purposely keeping out of this system because they are not in sympathy with some of the requirements of the act creating the system, and yet under the protection given by the provisions of this bill no reasonable man can intelligently reach any other conclusion than that most of these nonmember State banks would become members of the Federal reserve system.

We must not be unmindful of the fact that Congress has no jurisdiction over State banks which are not members of the Federal reserve system, and therefore this class of banks would get no benefit from the protection afforded by my bill. The depositors of these nonmember banks would have to rely upon the general assemblies of the States where these nonmember banks are located to enact legislation for their protection.

Mr. O'CONNOR of Louisiana. During the course of the gentleman's remarks he made a statement which, to my mind, is very important to the laymen that have not got the knowledge that lawyers have concerning the power of Congress. On the theory that banking is of an interstate character—of course, a great many banks doing an interstate business are not members of the Federal reserve system. Has not the Congress the power to compel those banks to join the Federal reserve system in the event Congress should choose to exercise its power?

Mr. BRAND of Georgia. I am inclined to think it does have that power if the State banks engaged in interstate and not solely intrastate business. If this bill should become a law and the franchise tax finally equals the $50,000,000 appropriated, there would not thereafter be any necessity to take a dollar out of the Treasury of the United States.

I did not fix the amount of the guaranty fund at the sum of $50,000,000 arbitrarily. As far as I could, from time to time, I obtained information from the office of the Comptroller of the Currency in regard to the losses sustained by banks since the act creating the Federal reserve system was passed by Congress, as well as prior thereto, and particularly the number of failures of banks in the system during the last five years and the losses sustained by the depositors on account of these failures.

Mr. HUDSON. Mr. Chairman, will the gentleman yield there?

Mr. BRAND of Georgia. Yes.

Mr. HUDSON. How long does the gentleman estimate that it would be before that sum would be covered back into the Treasury?

Mr. BRAND of Georgia. That is a very fair question. The Federal reserve system has been in vogue about 12 years, and there has been paid into the Treasury up to July 1, 1925, as a franchise tax, $139,902,093.58. There have been a great many bank failures in the past five or six years, though I take it that there will not be an increased number in the future.

Mr. HUDSON. Is there not a probability that the number will decrease?

Mr. BRAND of Georgia. Yes; there is strong probability that bank failures will materially decrease in the future rather than increase.

Mr. ALMON. Will the gentleman tell us what was approximately the amount of losses to the banks per annum—that is, member banks belonging to the Federal reserve system.

Mr. BRAND of Georgia. I am glad the gentleman inquired as to that. I have made some investigation into the amount of failures of banks and losses sustained thereby before and since the Federal reserve system was inaugurated. Prior to that time the losses were not anything like what they have been since the establishment of the system, particularly since 1920. The following statement, furnished at my request by the Comptroller of the Currency, shows the losses in insolvent member banks from 1921 to 1924, inclusive, the total losses to creditors, however, include other creditors besides depositors:

Statement of losses sustained by creditors of insolvent national banks in receivership which were completely liquidated during the years 1921 to 1926, inclusive

Year	Number of liquidations	Liabilities to creditors	Amount paid creditors	Losses sustained by creditors
1921	14	$4,085,035	$2,737,604	$1,347,431
1922	11	3,244,714	1,976,009	1,268,705
1923	13	2,362,876	940,584	1,422,292
1924	19	7,644,445	5,334,843	2,309,602
1925	5	804,850	804,850	
Total	62	18,141,920	11,793,890	6,348,030

Mr. ALMON. To what does the gentleman ascribe the increase?

Mr. BRAND of Georgia. It was brought about, and the primary cause is due to the deflation policy set in motion during the year 1920 by the Federal Reserve Board.

Mr. MANLOVE. Mr. Chairman, will the gentleman yield there?

Mr. BRAND of Georgia. Certainly.

Mr. MANLOVE. What proportion of those are State banks?

Mr. BRAND of Georgia. There are 20,168 State banks in the United States not in the Federal reserve system, though not all of them are eligible for membership, and only 1,369 in the system. If this bill becomes a law you will find these State banks that are not in the system falling over themselves in trying to get into the system. Every State bank not protected by State legislation will endeavor to get into the system, or should do so.

Mr. ALMON. Have any hearings been held on the bill and is it being considered by the committee?

Mr. BRAND of Georgia. Not yet.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. BRAND of Georgia. May I have five minutes more?

Mr. HARRISON. Mr. Chairman, I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman from Georgia is recognized for five minutes more.

Mr. BRAND of Georgia. The Committee on Banking and Currency has been busy holding hearings on a bill from the Treasury Department ever since Christmas. The chairman [Mr. McFADDEN] was more or less indisposed before Christmas. The bill to which I refer proposes to amend the Federal farm loan act. We have had sessions almost every day, and we shall have sessions for another week or so. I hope the committee will give me a hearing, at least to start on this bill at this session; but, if not, I shall expect to have hearings at the next session. If this bill should become a law and my scheme of protection is carried out, in the end it will not increase the liability of the stockholders of any member banks of the Federal reserve system or of any of the 12 Federal reserve banks of the system, but it will protect the depositors of all member banks when a failure occurs. So that, without doubt, they will get every dollar of their money. [Applause.]

I hope you will excuse me for saying that I have examined every State law in the United States in regard to the protection and guaranty of deposits in State banks. I did it last year, including, of course, affected member banks of the Federal reserve system. I have examined all of the bills which have been introduced either at the last session or this session which have for their object the protection of depositors in insolvent banks, and in my judgment none of these bills afford any

better or more workable and satisfactory plan than the bill I am discussing.

The time has come when confidence has got to be restored in the banks [applause], otherwise the money of the rank and file of the masses will seek hiding places. In many States stock in banks can not be sold to anybody, at any price. Over and above everything that can be said upon this subject all agree that the depositor who puts his money in any bank and does not get any interest on it ought, in a spirit of justice and fairness when the bank fails be paid back his deposits, and this sort of guaranty should be bestowed upon the innocent depositor at the hands of this Congress. The hour has struck for action and the call comes from every section of our country for protection. [Applause.]

I welcome criticism of my bill by Members of Congress. I want them to study the provisions of the bill. I also welcome criticism from anybody out of Congress, bankers and others, because if it can be improved I want to improve it. I am going to contend as long as I am a Member of Congress for some legislation which will protect depositors against loss on account of insolvency of these banks. [Applause.]

For the reasons outlined by me I can not understand how any Member of Congress unless controlled by party lash, or how any officer of any bank of the Federal reserve system or any other person can object to the purpose sought to be accomplished by this bill unless such a one is wholly without sympathy and destitute of compassion, and is utterly indifferent to the welfare of the people of this Republic. [Applause.]

Mr. BARBOUR. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. TOLLEY].

Mr. TOLLEY. Mr. Chairman and members of the committee, because I am interested in national defense I want to compliment the members of this subcommittee for the splendid appropriation bill they have brought in to maintain the morale of the Army and to approximate the national defense act. Because of my interest in national defense I also rise to call the attention of the House, also the attention of the veterans of the World War, to the real effect of another measure which masquerades as a bill to retire emergency officers of the Army.

I came to Congress believing that the emergency Army officers of the World War disabled in line of duty should be entitled to the same retirement privileges accorded to the Regular officers. Nothing that has happened here has convinced me otherwise. However, I have certain convictions about safeguarding the soldiers from unjust discrimination in favor of officers. I have other convictions about the necessity of maintaining a high esprit de corps for reserve officers.

Because of these convictions, in cloak-room discussions I pointed out certain inadequacies of pending legislation, namely, House bill 4548, which is supposed to be a retirement measure. Inasmuch as my remarks were transmitted and misrepresented to a well-organized propaganda group, it became necessary for me to prepare House bill 12534 in order to set forth my position clearly and distinctly and in order to point out the sort of retirement legislation which should be passed.

As one who champions the justice of giving the disabled emergency Army officer the same retirement rights accorded to other officers of the World War, I desire to point out now, as I did then, the fundamental errors in the Fitzgerald-Tyson retirement bill, so called.

Before calling attention to the inherent weaknesses of the pending legislation I ought to explain in justice to the proponents that they have fallen into these errors in order to avoid the opposition which was manifested by the War Department in other sessions when previously they had presented real emergency retirement legislation.

In order to avoid the unfavorable atmosphere of the Committee on Military Affairs certain compromise sections have been adopted in order to give committee jurisdiction to the Committee on World War Veterans' Legislation.

Consequently the root of the iniquity of the Fitzgerald-Tyson bill is the compromise of retirement principle for the reason of political expediency. I am one of those, however, who believe that if the principle is right it is worth fighting for. Compromises are required in legislative procedure, of course, but a compromse which denies the general principle is nothing less than a surrender.

But the peculiar situation of this matter is that although the principle of retirement has been surrendered the arguments for retirement are still being broadcasted as the reasons for enacting the Fitzgerald-Tyson bill. Therefore it is time that the Members of the House and the veterans of the country who have been misled, I believe, into favoring this measure should know exactly what this proposed measure does.

In the first place, the Fitzgerald-Tyson bill does not give emergency Army officers the same retirement rights accorded to other retired classes. According to the language of the bill, a separate retired list, to be known as the emergency officers' retired list of the World War, is created in the Veterans' Bureau. Thus the name retirement is given to the bill. But what is an officer's retirement apart from the Army? How can such a list in the Veterans' Bureau be anything but an officers' compensation list? How can officers drawing compensation from the Veterans' Bureau be considered as on an equalized plane with those officers who receive their retirement from and under the jurisdiction of the Army, Navy, or Marine Corps? In fact, the language of the concluding proviso of the first section—page 3, lines 20 and 21, of H. R. 4548—"That the retired list created by this act shall be published annually in the Army Register" is an admission of itself that without such a specific grant of authority to the War Department to publish this list of names these officers would not ha e even a paper connection with the Army!

It is a misnomer to call such a proposal officers' retirement legislation. There is no jurisdiction given to the Secretary of War to order these officers to active duty. There is no status provided in the War Department for these officers who are to be carried on the rolls of the Veterans' Bureau. To give these proposals such a name is an apparent attempt to mislead the veterans themselves. Officers' retirement to be genuine must be in the Army, not in the Veterans' Bureau.

Mr. O'CONNOR of Louisiana. Will the gentleman yield?

Mr. TOLLEY. I yield to the gentleman from Louisiana.

Mr. O'CONNOR of Louisiana. In view of the gentleman's sincere devotion to the national defense of the country, I want to ask in all seriousness, does the gentleman believe that a high morale can be maintained and the young men of our country inspired to enter the regular service when it is known that the subsistence is at the rate of 40 cents a day and the pay $30 a month?

Mr. TOLLEY. Of course, that is a question entirely apart from the justice to disabled officers and the morale of the reserves, in which I am interested at this particular moment; but I will say to the gentleman that I have favored a higher rate of subsistence. I do not believe, and the records of enlistment do not indicate, that we need to raise the pay of the private soldier in the ranks. However, that is a matter apart from my interest in pointing out the way to deal justly with the disabled emergency officers without creating any discrimination more unjust than those now existing.

In the second place, because the Tyson-Fitzgerald bill is not in fact a retirement bill, certain administrative difficulties would follow enactment of the officers' compensation measure.

Section 212 of the World War veterans' act of 1924 is in direct conflict with this proposal to establish a separate officers' compensation rating in the Veterans' Bureau. This section would not conflict with retirement in the regular military service but does forbid any such special consideration for officers drawing these gratuities from the Veterans' Bureau.

In the third place, not only is this a conflict with existing law, but also a conflict with the principles heretofore maintained by the American Legion, Veterans of Foreign Wars, and Disabled American Veterans, who have always insisted that the Veterans' Bureau treat officers and enlisted men exactly alike.

Realizing that his measure is an officers' compensation bill, the gentleman from Ohio [Mr. ROY G. FITZGERALD] in his report on H. R. 4548, makes this significant statement to justify this special compensation for officers:

> The retirement feature, based on earning capacity, is the fairest standard of recompense.

In other words, the fundamental justification of the Tyson-Fitzgerald bill is the plea that because an officer was paid more in service he is entitled to higher compensation whenever disabled.

It is doubtful if the veterans themselves indorse this idea of higher compensation for officers. However, even the acceptance of this "standard of recompense" would not justify the rating of officers at a practical total whenever the Veterans' Bureau finds them 30 per cent or more disabled, while at the same time the rating of enlisted men would be strictly in accordance with the degree of disability. Such a discriminatory administrative provision as is proposed in the Tyson-Fitzgerald bill is inequitable as well as indefensible.

Thus, because the Tyson-Fitzgerald bill is nothing more than an officers' compensation bill, there are difficulties of law, of precedent, of present practice, and of principle which can not be reconciled. To enact such a measure would be to undermine our whole Veterans' Bureau plan. Also such legislation would deny the fundamentals of retirement.

Naturally, the retirement accorded other emergency officers of the Navy and Marine Corps raises no question of discrimi-

nation, because they are benefited by actual retirement in the Navy and Marine Corps. They are not under the jurisdiction of the Veterans' Bureau, and consequently no administrative inconsistencies exist.

Because of these facts, I have introduced House bill 12534, which provides for the retirement of disabled emergency officers of the Army, who would have been entitled to similar retirement if Regular Army, Navy, or marine officers. To enact House bill 12534 would be to give justice to the emergency officers without any of the complications of the Tyson-Fitzgerald bill.

My bill, providing for an actual status of retirement in the Army, is not in conflict with existing law, is not contrary to the principles of veterans' organizations, and is not discriminatory legislation. It is not based on the idea of according officers higher compensation, but is based on the idea of retirement in the Army for emergency officers disabled in line of duty. House bill 12534 meets in full the only justification for the passage of any such legislation.

If my proposal can not be passed in this Congress, that is no reason for compromising the retirement principles, and certainly that is no excuse for enacting an officers' compensation measure which eliminates the essential feature of retirement in the Army for emergency officers.

Those who pride themselves in their policy of political expediency should beware lest their advocacy of the Tyson-Fitzgerald bill be their ruin. Let those who are in doubt visualize the reaction of the veterans themselves when the Veterans' Bureau is divided into separate sections, one for officers and one for enlisted men, with discriminatory standards as provided in the Tyson-Fitzgerald bill.

The only safe ground for those who believe in the retirement of emergency officers disabled in line of duty is to fight for the adoption of a measure similar to House bill 12534. My plan gives justice to the disabled emergency officers of the present and gives an incentive to reserve officers to continue the giving of their time and interest by the knowledge that, if disabled in line of duty in any national emergency, they will be given a retired status in the Army.

Let those who are opposed to the idea of retirement for emergency officers realize that our whole scheme of national defense is now dependent upon the reserves. Let them think less of the past; let them appreciate the necessity of creating a higher esprit de corps among reserves and National Guardsmen by giving simple justice to these officers disabled in line of duty in the World War and by giving the same disability retirement to those who, in the future, must bear the brunt of the sacrificial service rendered by Army officers. [Applause.]

Mr. HARRISON. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. DAVIS]. [Applause.]

Mr. DAVIS. Mr. Chairman, on the 19th of last month Tennessee lost one of her most distinguished, most useful, and most beloved citizens, former United States Senator William R. Webb.

As founder of the famous Webb School for Boys at Bell Buckle, as a renowned teacher, as a courageous public-spirited citizen of the loftiest ideals, as United States Senator, "Old Sawney," as he was familiarly and affectionately known, was one of the outstanding figures of Tennessee for the past quarter of a century. [Applause.]

Mr. Webb was born in North Carolina November 11, 1842. He obtained his education in the Bingham School and the University of North Carolina.

When 18 years of age he entered the Confederate Army as a private. At the battle of Malvern Hill, in July, 1862, 70 per cent of his company was either killed or wounded. This young soldier was wounded three times, from the effect of which he never fully recovered. After this battle he was elected first lieutenant of his company. Thereafter he conspicuously participated in many hard-fought battles. He was finally captured by spies at Amelia Cross Roads and was placed in the Federal prison at Battery Park, N. Y. However, displaying the superb courage and indomitable will which characterized his whole life, he escaped from the parapet into the river and returned to the South.

Mr. Webb moved to Tennessee in 1870 and established a school which has since become famous. The first Webb School for Boys was established in Culleoka, Tenn. There the school continued until 1886, when he moved the school to Bell Buckle, where it has been since, in the district which I have the honor to represent.

Here the Webb School became so thoroughly established and so well and favorably known that it did not advertise; it needed no further advertisement than the boys who left its walls. Residing throughout the South, as well as in other sections of the country, are thousands of leading and useful citizens who received their training and inspiration in his school. His boys have taken high rank in every avocation of life, but that which has most characterized his pupils has been the lofty ideals which he instilled in them. In practically every college of consequence in this country his students have taken the highest rank in scholarship and other college activities.

Mr. Webb's life presents a conspicuous example of the confidence and esteem which may be won and the success which may be attained by correct thinking and living, by a persistent and courageous advocacy of the right, and an unfaltering refusal to compromise with the wrong.

It devolved upon the Tennessee Legislature in 1913 to elect a United States Senator to fill a vacancy. There were several candidates and the legislature was apparently in a hopeless deadlock. The deadlock was broken by the election of Mr. Webb, who had not sought the honor. This recognition of his sterling worth met the universal approbation of Tennesseans. He was not a candidate for reelection—in fact, was never a candidate for any office.

Mr. Webb was elected to a seat in the United States Senate which had formerly been occupied by one of his former pupils, Senator Edward W. Carmack.

Mr. Webb's maternal grandfather, Richard Stanford, had represented North Carolina in Congress for 20 years, in the Fifth to the Fourteenth Congresses. He was likewise a school-teacher by profession.

While never seeking personal preferment for himself, Mr. Webb always took an active interest in public affairs. For many decades he had been a conspicuous and influential leader in civic affairs. He was a forceful, popular, and much-sought public speaker. He gave generously of his time and talents in the interest of whatever cause he deemed just, and was an implacable foe of any cause he considered wrong. He never compromised or temporized. He never "trimmed his sails."

As great and valuable as were his services and influence in other respects, yet Mr. Webb's greatest contribution was in the training of young manhood. It was as a teacher that he builded his greatest monument. As was well said of him by Chancellor Kirkland, of Vanderbilt University:

> In the training of young men during the past 50 years he has made a remarkable contribution to the life of the whole South. He has been a master architect and master builder, working not with wood and stone but with human lives. His fame is secure, and his name will never be forgotten in the land where he worked and among the people whom he served.

His ability to develop scholars was not his greatest achievement. His greatest service was the molding of moral character. As stated by one of his former pupils:

> With all his soul he hated a sneak. Nothing exceeded his contempt for sham and hypocrisy. In forceful and striking language he was able to make this side of human nature so hateful that his boys grew to loathe it too.

One of his famous precepts was—

> Boys, don't do anything on the sly.

He lauded lofty ideals and inspired high-minded purpose.

Mr. Webb knew human nature. He understood boys as few men have understood them. He was a master raconteur. He drew upon his rich experience and his unerring observation of life and drove home his lessons with homely and wholesome illustrations. He spoke a language his boys could understand.

I well remember, when one of his pupils, he was endeavoring to impress upon us boys the importance of acquiring a good education. He explained that it was necessary for us to train our minds, to sharpen our intellects, in order to successfully engage in the battle of after life. He told the story of two men who made a wager as to which could cut the most wood of a given length in a specified time. They both started out with dull axes. One of them took time to thoroughly sharpen his ax while the other began chopping with his dull ax. By the time the former started upon the pile of wood with his sharp ax the other had cut a considerable amount of the wood, and it appeared impossible for the other man to overtake him; however, the man with the sharp ax soon caught up with the man using the dull ax, and at the expiration of the allotted time had far outdistanced the man with the dull ax.

On another occasion he was endeavoring to convince his boys of the importance of always being kind, courteous, and considerate of others. He stated that they should not only pursue such a course under all circumstances because it was right but also because it would prove to be the best policy. To illustrate his point he explained that when he was struggling to establish his school he spent his spare time and money in traveling and obtaining new pupils for his school. He stated that he was walking along a street in Louisville when accosted

by a gentleman who told Mr. Webb that he was a stranger in the city, had lost his direction, and desired to return to a certain hotel, and asked Mr. Webb if he could direct him how to get there. Mr. Webb undertook to give him directions. Realizing that the man was still confused, he told him that it was not much out of his way and he would walk with him by his hotel. As they were walking along they naturally engaged in conversation and told each other who they were and where they lived. The stranger stated that he was from the Indian Territory, which fact was clearly verified by his dress. When they parted the stranger wrote down Mr. Webb's full name and address and thanked him profusely for his kindness.

A few years thereafter Mr. Webb was still struggling to firmly establish the pioneer boys' school of Tennessee and had been compelled to borrow several hundred dollars from one of his friends. The time was approaching when the loan would fall due and he did not have the money with which to pay it. He and his good wife were very much worried over the situation, and had been discussing and wondering what to do, when early one morning there was a knock at the door of his home and Mrs. Webb responded, returning and advising Mr. Webb that a white man and a crowd of Indian boys were at the front door. Mr. Webb invited them in and was told by the white man that he was the guardian of these Indian boys and desired to enter them in Mr. Webb's school. He paid cash for the tuition of the boys for a year and left with Mr. Webb a sufficient amount to pay for their board and spending money for a year. Mr. Webb told the white man that he was curious to know what had prompted him to enter these boys in his school. Whereupon, the man told him that being desirous of giving these boys the very best education obtainable, he advised with one of his friends as to what school he should enter the boys, and the friend with whom he advised happened to be the gentleman whom Mr. Webb had extended the courtesy in Louisville some years before; and the friend stated that he knew that Mr. Webb was the right kind of a man and teacher, and insisted upon the boys being sent to his school, with the result explained.

Thus, Mr. Webb was enabled to take up the note which had given him so much concern.

While at times he was stern and severe when he felt that the facts justified, yet his boys had the highest respect for him and entertained an affectionate regard for him. They affectionately referred to him as "Old Sawney." Perhaps the highest tribute paid him was the fact that such a large number of his boys in after life sent their sons to his school.

His last message to "his boys," dictated some 10 days before his death, was as follows:

Give the boys my love and tell them to lead a large life. A large life is no piffle, but one that makes the world better because you have lived. If the world is better because of you, you are a wonderful success. If it is worse because of you, you are a miserable failure.

When you come to the end, you will find that the only things that are worth while are character and the help you have given to other people.

The first step in the development of character is loyalty and obedience to your parents, your teachers, and to your God.

And don't forget—never do anything that you've got to hide.

[Applause.]

SAWNEY WEBB

"Tell them to lead a large life."

This was the last message of W. R. Webb, "Old Sawney," as he was affectionately termed by thousands who knew and loved him.

It was his last message, but also it was his first. Every day of all his 84 years of useful living he bespoke this message, both by precept and by example. Truly it can be said of "Sawney" Webb that he led a large life. His services as an educator, as a statesman, and as a friend to all who were striving for bigger and better things was a constant benediction. His work of good was not confined between the covers of textbooks, his teaching was a "higher education" in the noblest sense of the term. He taught Latin and Greek, and mathematics and English, but more than that, he taught correct habits of living, he developed character, he made men. From first to last in his long and eventful career, whether as soldier, statesman, or teacher, he daily instilled into those around him the message of his last words, "To lead a large life."

Coming in 1870 as a youth, fresh from four arduous years in the thickest of the fighting of the Civil War, he set about with undaunted courage to organize a school in a land that had little time and less money to give to education, and to make this school a beacon light that was destined to prove one of the chief factors in leading his beloved South out of the darkness of reconstruction into the dawn of a new day.

Untiring, unselfish, and uncompromising, he set himself to a task from which a less staunch heart would have quailed, to a task which would have proven too much for a less capable and less energetic educational pioneer. From a small beginning, largely through his own personal courage and perseverance, Sawney Webb builded a school that was more than a school, and turned out graduates possessed of greater assets than the simple knowledge learned in books.

To-day the Nation joins with Tennessee, as Tennessee joins with Maury County, the scene of his earlier educational activities, in mourning the passing of this great man. "A large life is one that makes the world a better place because you have lived," he said on his death bed. Of him it can be truly said that he followed the advice he gave his boys, "he led a large life."—(Columbia Herald.)

[Editorial in The Nashville Tennessean of December 20, 1926.]

FORMER SENATOR WILLIAM ROBERT WEBB

(The spirit of the Lord shall rest upon him, the spirit of wisdom and understanding, the spirit of counsel and might, the spirit of knowledge and of the fear of the Lord.—Isaiah 1–2.)

College executives, university presidents, educators who have held high places in great institutions of learning have often become notable figures in the history of their country and their deaths have been the occasion for universal mourning, but seldom has an educator whose activities never extended beyond the preparatory grades, achieved national distinction and almost universal recognition. Yet these are the honors that crown the long and eventful and busy life of former Senator William R. Webb—"Old Sawney" as he is affectionately known to thousands all over this broad land.

Few college executives have been better known or wrought more enduringly for the highest ideals of education than this remarkable man, whose going away will plunge thousands into the most sincere grief. For many years he has been known as "Tennessee's grand old man." The grandeur of his character, the nobility of his life, the lofty idealism which was the foundation upon which he builded his success as an educator have richly merited this notable encomium.

Except for a short month that he represented his State in the Senate of the United States, Sawney Webb never held public office. He never sought the favors of his fellow citizens. That honor came to him unsolicited, the spontaneous and affectionate tribute very largely of those who had sat at his feet in their youth and learned well the fundamental truths of life.

Sawney Webb was a maker of men, the builder of character. To him man was everything. The development of his moral character, the inculcation of high ideals of service, the weaving of a fiber that would resist the temptations of the world, these constituted the rock upon which this educator erected the foundations of his school.

The Webb School, founded at Culleoka, Maury County, in 1870, moved to Bell Buckle, its present location, in 1886, represents all that is best, all that is finest in the history and the tradition of the preparatory schools not only of this country but of England. Mr. Webb firmly believed in the cultural side of education. He was convinced that the classics were necessary to a true appreciation and a right appraisement of the ethical and spiritual values of life. Firm in his conviction that one could never rightly interpret or correctly value the movements of his own generation without the background that knowledge of the history and the classics of older civilizations alone could give, he never compromised. He stressed always the necessity of a knowledge of Greek and Latin.

He believed in thoroughness. His graduates always entered institutions of higher education with the foundations upon which they expected to build in the development of their mental understanding, well and firmly laid. He abhorred the idler; the boy who frittered away his time. Like the poet, he was early impressed with the fact that "life is real and life is earnest." Every man has a mission in life and that adolescent age, when they are in the training school is the time when they must be lead to the heights where they will get an enduring vision of life's great purpose. This was the ideal upon which he taught and lectured and daily lived among and with his pupils.

So highly did this educator appraise the elements by which we measure true character that often the lessons were practically suspended for the day that he might, in his unique and always original, but ever-convincing lectures, give them a new and higher vision of the life with a real purpose. He stressed by homely illustrations and by incidents drawn from the fullness of a truly marvelous mind, the elemental virtues by which we appraise the worth while life, truth, virtue, courage, perseverance, indomitable determination, moral valor, right for the sake of right, labor for the love of service, these and the other homely virtues were constant themes with Sawney Webb. They were iterated and reiterated.

He believed in the "soul" rather than in the "body" of education. His school never had what, for want of a better term, we call an adequate "plant." He cared but little for physical equipment. He permitted no interscholastic athletic contests, a favorite means in later years of "advertising" schools. He never used the magazines or the newspapers to exploit his school. His best advertising mediums in later years were the fathers and the grandfathers of his pupils. He fixed a maximum number and under no consideration would he expand the roll.

Sawney Webb's words carried conviction; his pleas for character building entered the hearts of his hearers because they had behind them a life that gave complete assurance of their sincerity. He never set up a standard for others less lofty than that which he marked out for himself. He asked of others no task that he did not perform; no sacrifice that he would not make.

Fifty-seven years ago, a beardless youth, not many years before a soldier of the South, he came to Culleoka from his native North Carolina to lay the foundations of a career that must ever challenge the admiration of all who pay tribute to the finest qualities of human kind. The field was not inviting. After four years as a battle ground for contending armies, and five years an acute sufferer from the horrors of reconstruction, Tennessee's future did not then appear bright. Its institutions of learning, even its churches, had suffered from the dislocation and the savagery of war and the blight of reconstruction. Many of the school buildings had been leveled or badly abused. At Culleoka he founded a school that has attained international fame, in the basement of a Methodist frame church erected in 1868. Without capital, with nothing but his own ability and those characteristics that made him strong and great, he laid the foundations for a career with few parallels in the long history of American education.

From the famous Webb School have gone men who have played their parts in practically all the activities of the Nation. Its graduates are numbered among the Senators of the United States, governors, cabinet officers, high officers of the armies, great lights of the bar, notable expounders of the Gospel. In business, in professions; in the arts, the sciences, and among educators his students have taken the highest rank. They constitute a monument to his genius as an educator; to the grandeur of his character and to his fidelity to a great trust, that will be more enduring than any that can ever be carved from marble. Through those who came within the sphere of his influence he has truly transmitted to posterity those noble qualities which he exemplified in a long and illustrious life.

Sawney Webb had a great intellect; God endowed him with exceptional ability. He towers as one of the loftiest characters in the brilliant and challenging history of Tennessee. He wrought mightily for his State and his country and his good works will live after him. His life was an eventful one; he never ate of idle bread; he never hesitated to go where duty called. He may not have thought with Robert E. Lee that "duty" was the most sublime word in the English language, but he never turned a deaf ear to its call. In the bloom of youth he answered the call of his native State and gave four of the best years of his life to the service of the South. His convictions were pronounced upon every issue that challenged the thought or involved the welfare of his fellow citizens, and he never lacked the courage to express them.

So long has this grand old man lived and served in Tennessee that it is hard to reconcile ourselves to the thought that he is no more. But for many years to come, long after his ashes shall have mingled with the soil of the State he loved so passionately, his memory will be a blessing and a benediction to mankind. Of him we may well say:

"After life's fitful fever
He sleeps well."

[Editorial in the Nashville Banner of December 20, 1926.]

W. R. WEBB

Death came early yesterday morning to William Robert Webb, affectionately known by thousands whose lives he had bettered and broadened as "Old Sawney."

During the span of the 84 years that were his life he gained distinction as a soldier, a statesman, and a citizen; but it was as an educator of youth and a molder of character that he made an indelible impress for good on his day and generation. All his days he was the unrelenting foe of ignorance, and with knowledge he insisted that there be acquired wisdom and the highest ideals of manhood and character.

When Mr. Webb was a mere boy and his education but fairly begun there came upon this Nation the shadow of the Civil War. He was soon enrolled in the armies of the southern Confederacy and there displayed the remarkable qualities of courage, initiative, intelligence, and ability that were thereafter to mark everything he undertook. Wounded many times and later taken prisoner, Mr. Webb clung to his ambition for an education. The course he had begun at the University of North Carolina was pursued in spite of difficulties so great as to be almost unimaginable to-day, and soon after the close of the war he graduated from college.

It was not long until Mr. Webb's eyes were fixed on Tennessee, and in 1870 he came to Culleoka to found a boys' school. The South was prostrate after four years spent in desperate conflict, and Mr. Webb saw with a clearness of vision vouchsafed likewise to Robert E. Lee that no man could do the South and the Nation of which it was to remain a part any greater, more constructive service than to renew the flame of true learning and keep it burning brightly. After 16 years at Culleoka Mr. Webb removed his school to Bell Buckle, and there it has remained until the present, uniquely useful as dominated and inspired by the powerful personality of its founder.

From time to time, and for comparatively brief periods, "Old Sawney" turned his energy to other things than his school, but never for long. It was his ambition to be known as a teacher of youth, and he did not allow anything to interfere with his attainment of his goal. At various times during his career he took the field in political battles to help the cause of what he considered civic righteousness. In 1913 the Legislature of Tennessee chose him to fill out the unexpired term of Robert L. Taylor in the United States Senate. As a speaker Mr. Webb was in constant demand. In all his outside rôles Mr. Webb played his part with unusual ability and utter sincerity and honesty of purpose, but it was to his school that his thoughts invariably returned, and to it he devoted himself in the largest measure.

As to Webb School as it was formed and fashioned under the master hand of "Old Sawney," it is not possible to estimate precisely the good it has done or the value of its service. It is unquestionably true that it has been one of the greatest factors in the educational upbuilding of the South and the Nation. The hundreds of young men it has sent to do distinguished work at colleges and universities all over the land have rendered indisputable proof of that, but none can tell the ultimate worth of the searing scorn of deceit that "Old Sawney" instilled into his boys. He was the unrelenting enemy of sham and hypocrisy in thought or deed, and he succeeded in imparting his own hostility to evil to the boys he taught.

With his brother, the late John M. Webb, and later his son, W. R. Webb, jr., Mr. Webb insisted on the value of thoroughness in the classics. It was his idea that the Greek and Latin languages contained elements more conducive to proper mental training and the attainment of real culture than anything else, and he made the study of the classics the foundation of his school work. With that, however, Webb School has been and is to-day the very synonym of simplicity and honesty in thought and act. Mr. Webb did not believe in a great plant as a necessity for training boys to be men, and he never had one. He abhorred the thought of sensational advertising of any description. He did not permit interscholastic athletics. Honor was his watchword, and an almost Spartan simplicity his goal. He implicitly believed in the intrinsic worth of character above all things else, and his splendid record of successful achievement is his vindication.

From the very beginning of his career as a teacher of boys, Mr. Webb would tolerate no infringement of the standards of conduct and scholarship that he had set high and knew were right. For that reason, again, it is impossible to overestimate the value of his contribution to the educational life of the country. No boy was sent out with the stamp of Mr. Webb's approval who had not measured up to the mark the school established. The work must be done as prescribed or else credit would not be given. The value of such a conspicuous example was incalculable, and it aided tremendously in making easy the task of universities and colleges and other preparatory schools in this general section as they strove to set up again fine ideals of scholarship after a period of chaos.

Middle Tennessee has developed a system of private preparatory schools that is not surpassed by any similar area in the United States, and it is significant to note that in nearly every case a part of their management has been and is being taken by men who gained their first training under "Old Sawney." Every one of these teachers, too, has preserved the ideals Mr. Webb gave him. Thus again has his spirit worked outside his own institution and thus has his sowing borne fruit beyond the fields in which he scattered the good grain with his own hand. To name the distinguished educators, statesmen, doctors, lawyers, preachers, and business men who owe their start along the way of rectitude and success to "Old Sawney" would be a task almost impossibly long. Their name is legion, indeed.

It was Mr. Webb's happy privilege to live long in the land he loved and to know as he closed his eyes on the scenes of earth that he had left the South and the Nation richened in men of courage, intelligence, and character because he had wrought. No man need want a higher satisfaction and no man need desire a finer monument than Mr. Webb has builded for himself. He was teacher of men, men who deserve to-day that title of honor in its fullest meaning.

Mr. HARRISON. Mr. Chairman, I yield five minutes to the gentleman from Louisiana [Mr. WILSON]. [Applause.]

Mr. WILSON of Louisiana. Mr. Chairman, I desire to call to the attention of the members of this committee and of the House H. R. 8902, and the reports thereon from the Committee on the Judiciary now pending before the House.

I do this for the reason that the measure has a direct relation to and bearing upon the provisions of the Army appropriation bill which carries appropriations for rivers and harbors, flood control, and other projects calling for construction work. It also relates to the bills making appropriations for the Navy and Interior Departments, as well as the public building program upon which we are entering in a comprehensive way. The bill referred to is commonly known as "the contractors bill" and the intended effect of it is to make it mandatory upon the various Government departments to let out at competitive bidding the construction work which they are authorized to do. This bill, if passed, will deprive the executive departments of

the Government of the power they now have to carry on the construction work by contract or hired labor as appears best in the public interest.

I have always favored, and I believe a majority of the Members of this House favor, carrying on public construction work by private contract when that method is most advantageous to the Treasury, and to show there is no prejudice against that method nearly 89 per cent of all public work is let out by contract.

The bill would directly affect the War, Navy, and Interior Departments. The legislation is entirely unnecessary, and this Congress will enter upon a dangerous program if it decides to change the existing law.

For instance, the law controlling the construction work done by the War Department is as follows:

It shall be the duty of the Secretary of War to apply the money herein and hereafter appropriated for the improvement of rivers and harbors, other than surveys, estimates, and gaugings, in carrying on the various works by contract or otherwise, as may be most economical and advantageous to the Government.

Why change this, when it can not be shown that there has been any deviation from this policy established by the law. It was charged in the hearings before the Judiciary Committee by the proponents of the measure, H. R. 8902, that its enactment was necessary in order to keep the Government out of business. I respectfully submit that when a Government department charged with the duty of doing certain work is doing it in the way provided by law and with a saving to the taxpayer, that this is not the Government in private business, but, on the other hand, the Government is simply attending to its own business and protecting the Treasury against any possible combinations of those seeking exorbitant profits.

In this connection I wish to quote from the statement of Gen. Harry Taylor, Chief of Engineers, before the committee, and to which I respectfully call the attention of this House:

I am very thoroughly of the opinion that the enactment of such legislation as is contained in the bill under consideration would be most unwise, as it would very seriously handicap the operation of the Engineer Department in carrying on the work of river and harbor improvement. The Engineer Department in carrying on the work intrusted to its charge by Congress endeavors to do the work well, and it conceives that its mission is to do this work with as little cost to the taxpayer as possible. In order that this result may be accomplished it must be free to do the work either by day labor or contract. Preventing the Engineer Department from using its discretion in awarding the contracts will most certainly increase the cost of the work.

In his report on a similar bill pending in the Senate the Secretary of the Navy concluded by saying:

To safeguard Government expenditures it is believed the decision as to whether the work is to be done by contract or by day labor should be left to the department concerned.

I call your attention to another objectionable and vicious feature of the bill, and that is the section which provides for the sale and leasing of Government machinery and equipment to private interests. I do not imagine such interests would have any great solicitude concerning its repair and upkeep. This machinery is the property of the taxpayer and deserves protection.

We are entering upon an extensive program of river and harbor improvement and providing large funds for the construction of public buildings. The Congress is responsible for these appropriations not only to the extent that they are made for proper purposes, but also for their economical expenditure.

I earnestly appeal to you not to enact this legislation which would necessarily result in placing the Government at the mercy of contractors in carrying on works that in many instances relate to the national defense. [Applause.]

Mr. BARBOUR. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 16249, the War Department appropriation bill, and had come to no resolution thereon.

LEAVE TO ADDRESS THE HOUSE

Mr. HUDSON. Mr. Speaker, I ask unanimous consent to address the House on Monday directly after reading the Journal and the disposition of matters on the Speaker's table for three minutes.

The SPEAKER. The gentleman from Michigan asks unanimous consent to address the House for three minutes on Monday next immediately after reading of the Journal and the disposition of matters on the Speaker's table. Is there objection?

There was no objection.

BOULDER DAM

Mr. LEATHERWOOD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the Boulder Dam project.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. LEATHERWOOD. Mr. Speaker, with due respect to the honorable gentlemen who have joined in the majority report, and to the enthusiastic proponents from California who are seeking to rush this legislation through the Congress, I challenge the proposed bill on the following grounds:

1. It is an attempt by the State of California to gain special privileges and advantages in the development of the greatest resource in the Southwest, at the expense and in jeopardy of the rights of other States in the Colorado River Basin, equally interested, and having in all respects equal, and in material respects superior, rights in that great river.

2. The plan of development proposed in the bill is misrepresented as primarily a flood control and reclamation measure, whereas it is in fact primarily a gigantic Government power project masquerading in the more appealing clothing of flood control and needed water for irrigation and domestic uses.

3. The bill proposes a departure from the sound, well-established, and traditional policy of the United States Government in respect to the entrance of the Government into business, in that—

A. It provides for Government entrance into the power business and puts the Government directly into this great industry on a gigantic scale, thus departing from the national policy established by the Federal water power act.

B. It reverses and violates the well-considered and sound policy expressed by Secretaries Weeks, Work, and Wallace as members of the Federal Power Commission in their study and report on this project written March 24, 1924, and attached hereto.

4. The plan proposed ignores the recommendation of leading Government engineers of the United States Geological Survey, War Department, and Federal Power Commission for the proper economical development of the Colorado River and follows a plan proposed by engineers now and formerly connected with the United States Reclamation Service.

5. The plan proposed is uneconomic and extravagant and wholly unnecessary for the meeting of the primary needs involved.

6. The plan represents a political solution of an economic and engineering problem of the first magnitude, vital to a great section of our country—a plan supported by intense and cleverly directed propaganda which has stifled criticism and secured results through political pressure.

The Colorado River is North America's most wonderful stream. From its headwaters to its mouth it drops almost 8,000 feet. The beauty and grandeur of its canyons are not equaled by any other river in the world. Electrical engineers tell us that it is capable of generating nearly 8,000,000 horsepower of electric energy. The average annual run-off of the river is between sixteen and eighteen million acre-feet. The economic future of seven States is more or less dependent upon the development of this great river and the protection of their equitable rights in such development.

The basin of the Colorado River, because of its physical characteristics, is divided into two divisions known as the lower and upper basin. The States of Arizona, California, and Nevada are designated as lower-basin States, while Colorado, New Mexico, Utah, and Wyoming are known as the upper-basin States. All of the States in the entire basin, except perhaps California, are what are known as prior-appropriation States. Because of controversies that were sure to arise in the future development of the river the several States of the basin, through their legal representatives, entered into a compact or treaty, known as the Colorado River compact. This instrument was executed at Santa Fe, N. Mex., on the 24th day of November, 1922, and was signed by the representatives of the several States and Secretary Hoover, who had much to do with directing the deliberations of the framers of the instrument. This compact seeks by treaty, by and between the States in the Colorado River Basin, to allocate the water of the river to the

two basins. Under the terms of this instrument there was allocated to the upper and lower basin States, respectively, the exclusive beneficial consumptive use of 7,500,000 acre-feet of water per annum, and the lower-basin group were given the right to increase the beneficial consumptive use of the waters of the river by 1,000,000 acre-feet per annum.

It is to be noted that no attempt was made to allocate water to the individual States, but the States in each basin were left to distribute the amount allocated to the particular basin among themselves. All of the States in the basin, except Arizona, ratified the so-called seven-State compact. The main purpose of the compact was to modify the law of prior appropriation so that economic development could go forward in the lower basin without creating priorities against the upper-basin States. It is conceded that the necessity for immediate development in the lower basin is more urgent than in the upper. By the terms of the compact the upper basin was guaranteed 7,500,000 acre-feet of water for future development.

A controversy soon arose between Arizona and California with reference to the division of the waters allocated to the lower basin. As a result of this controversy it was proposed that all of the States in the basin, except Arizona, accept and ratify the so-called seven-State compact and waive the ratification by Arizona. This proposal has been known and designated as the six-State compact. Such an agreement, of course, would not bind Arizona, and she would be free in the future to apply the unappropriated water of the river to beneficial use, and thereby create a priority against each of the other States in the basin. It is therefore apparent that complete protection under the terms of the Colorado River compact can not be had except by the ratification of this instrument by all of the seven States.

The upper-basin States have at all times desired to see development go forward on the Colorado River, so long as their equitable rights to future development were protected. Utah was led to believe and did believe that California, following the ratification of the six-State compact by the upper States, would also ratify this compact without condition. The people of Utah realized that they were assuming some risk by their action, but were unwilling to do so, believing that California would assume the same risk and no greater. However, at a very early date the legislature of the State of California passed the following resolution:

ASSEMBLY JOINT RESOLUTION 15, RELATING TO THE COLORADO RIVER COMPACT BETWEEN THE STATES OF CALIFORNIA, ARIZONA, COLORADO, NEVADA, NEW MEXICO, UTAH, AND WYOMING

Whereas the Legislatures of the States of California, Colorado, New Mexico, Nevada, Utah, and Wyoming have heretofore approved the Colorado River compact, signed by the commissioners for said States and the State of Arizona, and approved by Herbert Hoover as the representative of the United States of America, at Santa Fe, N. Mex., November 24, 1922, and notice of the approval by the legislature of each of said approving States has been given by the governor thereof to the governors of the other signatory States and to the President of the United States, as required by article 11 of said compact; and

Whereas the said compact has not been approved by the Legislature of the State of Arizona nor by the Congress of the United States: Now therefore be it

Resolved by the Assembly and the Senate of the Legislature of the State of California, jointly, at its forty-sixth session commencing on the 5th day of January, 1925 (a majority of all the members elected to each house of said legislature voting in favor thereof), That the provisions of the first paragraph of article 11 of the said Colorado River compact, making said compact binding and obligatory when it shall have been approved by the legislature of each of the signatory States, are hereby waived, and said compact shall become binding and obligatory upon the State of California when by act of resolution of their respective legislatures at least six of the signatory States, which have approved or which may hereafter approve said compact, shall consent to such waiver and the Congress of the United States shall have given its consent and approval: *Provided, however,* That said Colorado River compact shall not be binding or obligatory upon the State of California by this or any former approval thereof, or in any event until the President of the United States shall certify and declare (a) that the Congress of the United States has duly authorized and directed the construction by the United States of a dam in the main stream of the Colorado River, at or below Boulder Canyon, adequate to create a storage reservoir of a capacity of not less than 20,000,000 acre-feet of water, and (b) that the Congress of the United States has exercised the power and jurisdiction of the United States to make the terms of said Colorado River compact binding and effective as to the waters of said Colorado River.

That certified copies of the foregoing preamble and resolution be forwarded by the Governor of the State of California to the President of the United States, the Secretary of State of the United States, and the governors of the States of Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming.

FRANK F. MERRIAM,
Speaker of the Assembly.
C. C. YOUNG,
President of the Senate.

Attest:
[SEAL.]

FRANK C. JORDAN,
Secretary of State.

From the foregoing resolution and the provisions of this bill it is evident that California is exacting a guarantee for everything that she wants in the future development of the Colorado River. With the construction of a high dam at Boulder Canyon and the all-American canal, California can never be deprived of any right that she claims in the river. In fact, without contributing any water whatever to the river she expects to take a large volume of water outside of the drainage basin of the river.

On page 11 of the committee report there appears this statement:

By "enthroning the Colorado River compact" it assures to the States of Colorado and New Mexico, Utah, and Wyoming, the water rights so essential to their future.

The above statement has no foundation either in fact or in law. The ready consent of California to the reducing of the height of the dam at Boulder Canyon from 605 feet to 550 feet proves conclusively that the above statement was not made in good faith. By consenting to the lowering of the dam to a height not to exceed 550 feet it will be possible for Arizona to construct two high dams between Boulder Canyon and Glen Canyon and also a third dam at Glen Canyon. Arizona is not bound by the terms of the compact and any appropriation of water that she might make by the construction of these dams would constitute a priority against the upper States provided the appropriation was prior in time to the application of the unappropriated water of the river to beneficial use by the upper States. Arizona is therefore in a position by the construction of these dams to gain a priority over the upper basin States to every acre-foot of water allocated to them by the Colorado River compact. There is not a single reservation in the bill that will protect Utah or any one of the upper basin States from such a contingency. Utah was given to understand that the purpose of the six-State compact was to hasten a settlement of the differences between Arizona and California, but if this bill is enacted into law California has no concern about reaching any agreement with Arizona. She will be fully protected and her sister States that have been so anxious to bring about a friendly solution of the whole problem, so that development in the lower river might go forward, will be left without any protection and at the mercy of a State not bound by the compact. If this bill is passed by Congress, there will never be any ratification of the seven-State compact. California never intimated that she intended to ratify with reservation until after the upper basin States had acted. There is not a single reservation in the bill that will protect Utah and the other upper States against the danger that I have just pointed out.

During the Sixty-eighth Congress hearings were held on H. R. 2903, a bill similar to the one now before the House. In February, 1924, Secretary Hoover appeared before the Committee on Irrigation and Reclamation in the House, and in reply to certain questions propounded to him he pointed out the necessity for the complete ratification of the seven-State compact in order to give to the upper basin States complete protection and secure to them their equitable rights, and at that time pointed out that there should be no development in the river until the Colorado River compact should be ratified.

On page 55 of the hearings above referred to you will find the following:

Mr. LEATHERWOOD. At the time the commission drew the compact for submission to the several States, was it the view of the commission that the future development of the river by the Federal Government should follow the ratification of the compact both by the several States and by the Federal Government?

Secretary HOOVER. That, I think, was the view of every member of the commission. We believed the compact was right, just, and practical; that it was the only solution; that it met every legitimate question. We believed it would be quickly ratified. This was the case in six States, and it is opposed by the majority of the people in the seventh. As to actual construction, it was generally the feeling that the major storage dams should be built by the Federal Government.

Mr. LEATHERWOOD. And that it was important, I take it, that the States also join in the ratification of the compact, in order to determine these conflicting rights which we have been discussing?

Secretary HOOVER. Certainly; the States considered it impracticable to secure legislation from Congress, as a matter of just a practical fact, unless these water rights had been apportioned and the conflicts ended. The States of the upper basin are likely to oppose any legislation that does not recognize their rights, and they are opposed to the establishment of any priority for beneficial use in the Federal Government or anyone else until their equitable rights have been protected.

On pages 60 and 61 of the hearings the further views of Secretary Hoover are expressed as follows:

Mr. LEATHERWOOD. Now, the upper-basin States having primarily ratified the compact, and done all in their power to join in the common development of this river, should they at this time be subjected to having to forego protection under the compact and permit the development to go ahead blindly, without knowing what their rights are or will be?

Secretary HOOVER. As chairman of the Colorado River Commission, and being anxious to get this problem settled, I have tried to keep out of interstate disputes as much as possible and to act as a neutral person promoting the settlement. I would say this: That I think the upper States have a just claim for full protection to the more delayed development of their agriculture; and that whether this compact is adopted, or whether some modification is adopted, or whether some other device can be found, as a matter of justice that protection must be provided for them and their future before this construction proceeds. Some people believe that a method might be found in this legislation.

The committee report, upon bald conclusions unsupported by sufficient facts, assures you that the upper States will be protected if this bill becomes a law. The whole report of the committee proceeds upon the theory that the wants of California are paramount to the most sacred rights of the upper-basin States. These States contribute a large portion of the water of the river and by every process of reasoning we must admit that they are entitled to just the same high degree of protection as is the State of California. Surely this Congress is not going to ignore the rights of 250,000 people or more, living in the upper basin, so that protection may be granted at once to a State that has only 2½ per cent of the Colorado River drainage basin within its boundaries.

The passage of this bill without an adjustment of the differences between Arizona and California so that the seven-State compact may be ratified will result in throwing this whole controversy into a court of competent jurisdiction, and when that is done the protection which California says she so much needs will be delayed for at least 15 or 20 years. The Legislature of the State of Arizona is now in session, and I understand is about to make provision for the beginning of a suit in a court of competent jurisdiction just as soon as this legislation passes. The upper-basin States do not criticize her for this, for it is the avowed purpose of this bill to ignore and violate every right which Arizona has in the river, notwithstanding the fact that it flows for more than 300 miles within her boundaries. Arizona has no other alternative if Congress passes this bill except to defend herself by proper legal procedure. It is my belief that every protective measure in this bill will be declared null and void when passed upon by a Federal court. Such a result would amount to a dedication to the desert in perpetuity of all the unreclaimed land in the Colorado River Basin lying within the boundaries of the upper States. Every principle of fairness and equity demands that the Congress protect the upper-basin States from such a disaster.

REAL PURPOSE OF THE BILL

The proponents of the bill urge its immediate passage for the following reasons:

1. Flood control for the Imperial Valley.
2. Reclamation and the all-American canal.
3. Domestic water supply for Los Angeles and towns in southern California.
4. Power.

When the political smoke screen which has been thrown around this bill is lifted it will be found that the real purpose is to plunge the Federal Government into a stupendous power project. An experiment in Government ownership and operation of the largest hydroelectric power plant in the world is a primary object of this bill. The proof of this statement is found in an analysis of the other claims for the bill.

We of the upper States concede that there is some need for flood control in the Imperial Valley. We concede that there may be need for some additional water for irrigation purposes in and about Imperial Valley. We concede that additional water might be used in southern California outside of the Colorado River Basin. We question whether it is feasible, even with power at the rate of 3 mills per kilowatt-hour, to take water from the Colorado River to Los Angeles for domestic use. We deny that economic conditions warrant the construction of a high dam at Boulder Canyon capable of generating at least 600,000 horsepower of electric energy.

FLOOD CONTROL

The principal stock in trade of the proponents of the bill is, and has at all times been, the imperative need of flood control in the Imperial Valley. Using this as their foundation they have builded upon it an enormous superstructure of a gigantic power development and a $31,000,000 all-American canal. The probable future need of the city of Los Angeles and other southern California municipalities for additional domestic water was also coupled with the project and with this additional argument the whole population of southern California has been sold and thoroughly sold on the idea that there is only one way and one channel through which their needs can be met and that is this bill which provides for a high dam at Boulder Canyon. The strategy has been very clear and simple to talk of and advocate only the one plan and denounce all others as venal, traitorous to the State, and inspired by every conceivable improper motive. The Swing-Johnson bill has consequently been injected into every political campaign for every office in southern California, regardless of its pertinence, and will continue to be so injected until it is settled. There can be no question but that the strategy of the supporters of this bill has succeeded so well that every man in public life who is interested in the political support of southern California has been intimidated by popular sentiment to such an extent that political expediency has compelled indorsement. Indeed open boasts of this intimidation have been made by proponents of the measure. In short, engineering facts and figures and economic considerations have been submerged and political pressure has triumphed over the field.

Let us keep in mind that everyone admits that the primary and dominant needs involved are, first, flood protection for the Imperial Valley, and second, regulation of the flow of the river for domestic and irrigation needs. With this in mind, it is significant that as against the huge expenditure and risks of the Boulder Dam proposed herein, it is possible, by utilizing another more accesible and desirable site, to provide for these needs at a cost not to exceed $15,000,000, and to do it within a period of three years.

The site last referred to is in Mohave Canyon and is also known as the Topock site. It is 100 miles farther down the river than the proposed site, and hence 100 miles nearer the great body of land to be affected and 100 miles nearer the proposed point of diversion of water for domestic use. Attention is directed to the availability of this site in the report of the joint board of Government engineers dated March 17, 1924, and appearing at pages 821–823 of the hearing on H. R. 2903. That in storage capacity it would be nine times as efficient as the Boulder Dam appears from the testimony of the best informed Government engineer appearing before the committee, Mr. E. C. La Rue, of the United States Geological Survey. (See p. 975 of hearings on H. R. 2903.) It also appears that this dam could be built at a cost of not to exceed $15,000,000 (and possibly for much less), and that it would be completed in three years time. (See testimony of Mr. La Rue at pp. 534 and 561 of United States Senate Irrigation and Reclamation Committee hearings on S. Res. 320, and pp. 990 and 991 of hearings on H. R. 2903.) A full description of this site and of its advantages will be found in Water Supply Paper 556 of the Interior Department, Geological Survey, entitled "Water Power and Flood Control of Colorado River Below Green River, Utah," written by Mr. E. C. La Rue. Attention should be directed to the fact that Mr. La Rue has given 14 years of his life to a study of the Colorado River, and particularly of different dam sites; that he admittedly has had more experience with the river than any other engineer appearing before the committee; and that his home is in Pasadena, Calif. Col. W. Kelly, United States Army engineer, and formerly chief engineer of the Federal Power Commission, has also indorsed this dam site. (See his testimony at pp. 1226–1285 of hearings on H. R. 2903, and particularly pp. 1276 and 1277. See also the report of J. L. Savage, an engineer of the Reclamation Service, at pp. 991–992 of hearings on H. R. 2903 and p. 560 of hearings before United States Senate committee on S. Res. 320.)

This Topock Dam, 150 feet in height, would provide a storage of 10,400,000 acre-feet capacity. Not more than 5,000,000 acre-feet would have to be reserved for flood control and at least 5,000,000 acre-feet would therefore be available for irrigation and domestic use, an ample supply for the estimated requirements for these uses.

It is argued, however, in the majority report that a low flood-control dam would be a burden on the Government's

Treasury because none of its cost could be repaid through the sale of power. This argument is based on the assumption that the Boulder Canyon Dam would not in fact cost the Government anything, an assumption in which I can not concur, for the following reasons: The proposed Boulder Canyon Dam is in many respects an experiment. No dam in the world is nearly as large. The highest dam now constructed is not over 330 feet. The flow of the Colorado River through Boulder Canyon varies from 1,200 second-feet to as high as 210,000 second-feet in extreme wet years. Five successive annual floods in the Colorado must be dealt with during construction. Common sense, as well as expert engineering advice, tells us that in view of the unknown and indeterminate problems and factors entering into the construction of a dam of this entirely unprecedented size, in view of the probability of floods destroying partially completed work and interrupting progress, the estimated cost of $41,500,000 for this dam may well be doubled before it is completed, and will almost certainly be materially exceeded, and the time required for its completion instead of being five years may be prolonged to eight years or more. Now, while this bill provides that the Secretary of the Interior shall make provision for revenues adequate in his judgment to defray the costs before he begins construction, it is not clear how the Secretary can guard against the possible loss. Presumably he must make provision for revenues by making contracts in advance for the sale of power. If he makes these contracts on the estimated cost and that cost is exceeded, the Government must stand the loss. If the contracts are made on the basis of the cost, whatever it may be, the purchaser of power must take the risk of loss, and it is submitted that no purchaser, public or private, will be willing to make any such contract. As a practical matter, therefore, the Government is to be placed in a position where the burden on the Treasury may well exceed $15,000,000 under this bill.

The advantages, therefore, in favor of the Topock site may be summarized as follows from this standpoint: (1) Its construction would not involve the uncertainties and risk of the larger dam; (2) it can be constructed at a cost not to exceed $15,000,000, or $6,000,000 less than the interest charges during construction on the proposed Boulder Canyon Dam; (3) it provides the flood protection, which is the urgent need, in three years as against twice to three times that period in the case of Boulder Canyon; (4) it leaves the other dam sites in the river free for development as needed and as economic conditions require; (5) it would in all probability avoid the delays due to litigation if the proposed construction is undertaken.

In view of the foregoing facts, it may well be asked why the Topock site has not been given more consideration. In my opinion the answer to this question lies in a number of facts which do not appear in the printed hearings: (1) A high dam at Boulder Canyon has been made a political issue in California; (2) the larger project calling for a $41,500,000 dam compares better with the $31,000,000 cost of an all-American canal than would a dam costing only $15,000,000; (3) the bigger project appeals more to the imagination and is a larger accomplishment to the credit of those who can claim its credit.

Every proposition to grant immediate flood-control relief has been rejected, and one of the leading proponents of the bill stated before the committee that they wanted a high dam at Boulder Canyon or nothing at all. Imperial Valley's principal danger comes from the flash floods out of the Gila River. The Gila empties into the Colorado River 300 miles below Boulder Canyon and is by far the greater menace to Imperial Valley. Yet the most ardent advocate of flood control has never suggested any protection from the floods of the Gila. To control the dangerous floods of the Gila does not fit into the plans of the Government ownership crowd who are supporting the bill.

RECLAMATION AND THE ALL-AMERICAN CANAL

The upper basin States have always been and now are ready to extend aid to Imperial Valley for flood-control and reclamation purposes. This relief could be extended without jeopardizing the rights of the upper States, but again, every proposition that does not carry with it the construction of a high dam at Boulder Canyon is rejected.

A careful reading of page 16 of the committee report reveals the fact that it is proposed to include in this bill a most dangerous instrumentality so far as reclamation in Imperial Valley is concerned. This bill calls for a great storage reservoir capable of holding 20,000,000 acre-feet of water. It further provides for the construction of a great power plant at the dam capable of generating 600,000 horsepower of electric energy. The construction of this great dam and reservoir must and will regulate the flow of the Colorado River. A regular flow must go to the power plant, and the volume of this flow is such that a large portion of it can not be used in California if the greatest use contemplated in the bill is put into effect. What will be the result? As soon as the flow of the river is regulated, as it will be by the construction of this great dam, Mexico can at once treble its cultivated acres, and the hearings reveal that they will be increased just as rapidly as the flow of the river will warrant. An imaginary line separates the Mexican acres from Imperial Valley. The products of the Mexican land are the same as those in the Imperial district. Labor may be obtained in Mexico at perhaps one-third of the cost to the California farmer. Mexico will mainly benefit from the construction of Boulder Dam. Some of the farmers in Imperial Valley already see the danger. They realize that they will have a competitor at their very door who has inferior living standards, cheap labor, and cheap land; a competitor that will at once create unfair competition in our home markets; a competitor that will most surely destroy and drive out the farmer across the line of California. Some day in the near future these American citizens will realize just how they have been misled by this legislation. It is said in the committee report that Imperial Valley does not want her jugular vein running through foreign territory. This bill may remove the location of this important vein, but slow industrial death will come from Mexican competition just as surely as leprosy gradually conquers its victim. The lot of the average farmer in Imperial Valley is hard enough without increased Mexican competition.

DOMESTIC WATER SUPPLY FOR LOS ANGELES AND OTHER TOWNS IN SOUTHERN CALIFORNIA

The claim of Los Angeles for an additional water supply from the Colorado River for domestic purposes, even if sincere, is not well founded. The cost of taking water out of the Colorado River Basin to Los Angeles, even with power furnished by the taxpayers of the country at 3 mills per kilowatt-hour, would be prohibitive. Francis L. Sellew, a consulting engineer of Los Angeles, Calif., submits the following data as to the cost of taking water from the Colorado River Basin over the divide into the Los Angeles Basin:

Under the plan proposed about 1,500 cubic feet per second are to be lifted against a head of 1,500 feet, the cost of pumping alone being 5 cents per 100 cubic feet. (Mulholland, Senate hearings on Colorado River, October 26–27, 1925, p. 113.)

On this basis the cost of pumping will be—

One second	0.75
One minute	45.00
One hour	2,700.00
One day	64,800.00
One year	23,652,000.00

which at 6 per cent is the interest on $394,200,000.

Mr. Sellew further says:

The present supply for Los Angeles is obtained from Owens Valley, which, in conjunction with Mono Lake, will yield 834,000 acre-feet annually. (California Board of Public Works—Report to Legislature, 1923, Appendix A.) Allowing 80 per cent conservation, there results 585,000,000 gallons daily, which, at 130 gallons per capita, is sufficient for 4,500,000 people, or at least four times the present population of Los Angeles.

Practically the same facts were brought out in the hearings before the Committee on Irrigation and Reclamation in the House as to the immediate need of Los Angeles for an additional water supply. The plea for water is to elicit sympathy.

POWER

Here we reach the explanation of this bill, the very heart of the project. It is a plan to put the Government into the power business. The majority report cleverly subordinates power and represents it as a mere incidental burden carrier. In all propaganda for the measure flood control is represented as the thing. Flood control is not the thing. Power is the thing. That which is proposed is not flood control and reclamation with power as a by-product, but power with flood control and reclamation as incidentals. And back of it all is the purpose, concealed but powerful, to embark the Government upon a great experiment in Government ownership and operation. Compared with this proposal, Muscle Shoals is a mere infant. The all-year power of Muscle Shoals is less than 100,000 horsepower. Here we have an installed capacity of 1,000,000 horsepower, with 600,000 at all times available, and $31,500,000—or one-fourth of the entire cost of the project—of Government money is to be used to build the plant for its generation. The plant proposed is the largest hydroelectric plant in the world. Seventy per cent of the storage capacity of this dam and 60 per cent of its cost is required for power production. How absurd is the representation that this quantity of power is a mere by-product of flood control.

These facts have not escaped Government officials. Their significance and the radical departure from Government policy has

been pointed out to the committee in a thoroughly considered critical report on this project, written by three Cabinet members, Secretaries Weeks, Work, and Wallace. I refer to their letter addressed to the chairman of the House Irrigation and Reclamation Committee under date of March 24, 1924. (See pp. 1000–1003, hearings on H. R. 2603.) Because of its clarity of statement and soundness in principle I appeal to every Congressman to read that letter before he decides his attitude toward this bill, and I have attached hereto a copy so that it may be readily available. In particular I direct attention to the following from that letter:

In so far, at least, as the projects proposed exceed the requirements of flood control and irrigation, the bill proposes that the United States undertake a new national activity, namely, the business of constructing facilities for production of electric power for general disposition, an activity which, if logically pursued has possibilities of demands upon the Federal Treasury in amounts far beyond those now involved in reclamation and highway construction combined. While the United States has heretofore constructed power developments in connection with irrigation projects, these developments have been merely incidental to the projects, have been of a few thousand horsepower only, and have been primarily for use on the projects themselves. The construction of a reservoir having a capacity of from four to eight times the needs of irrigation and flood control and of a power development twenty times in excess of the probable power needs of the irrigated lands and adjacent communities is a complete departure from former policies. The only undertaking by the United States at all comparable in magnitude with the proposals at Boulder Canyon is at Muscle Shoals, and this project was undertaken to furnish munitions in time of war. In so far as it was to serve the needs of peace, it was to furnish an essential commodity for all sections of the United States and was not for the special benefit of a limited area.

If the United States is to embark upon a general policy of public development of electric energy at Federal expense, it should do so only after full consideration of what the step means. * * *

In 1920, after many years of consideration, Congress adopted a general national policy with respect to power development on sites under Federal control. That policy has been attended with marked success. Millions of horsepower are being constructed under the terms of the Federal water power act. These sites are being held in public ownership under public control, with every essential public interest protected. There is no occasion for going outside of the terms of that act to secure the production of all the electric energy required at terms fair both to the developer and the user. Under such circumstances we do not deem it desirable to enact special legislation modifying the established policy by giving to any individual, corporation, or community special privileges not accorded to all.

Congress also, in the Federal water power act, created a single executive agency for the administration of all water powers under Federal ownership or control. The plan thus adopted is proving eminently satisfactory. We believe any change in such method of administration is undesirable and, therefore, whether the Boulder Canyon dam or some other be built and whether at public or private expense, we believe the disposition of any power developed should be handled by the Federal Power Commission under the general terms of the Federal water power act and not as proposed in the bill. All interests of the Department of the Interior will be adequately met through the membership of the Secretary of the Interior on the commission.

Recognition of the foregoing principles so well set forth in that letter has also been given by Secretaries Mellon and Hoover in comments upon this bill. Secretary Mellon in his letter of March 18, 1926, to Chairman Smith, said, in part:

I believe that, in general, sound public policy in America, as elsewhere, is to encourage private initiative and not to have Government ownership or operation of projects which can be handled by private capital under proper Government regulations. The Government operation of railroads in this country was our largest experiment on this line, and a comparison of public and private operation in that field justifies my faith in private enterprise. Canadian and European experience is the same. To get the Government out of business, whether it be in banks, utilities, or monopolies, has become one of the most essential steps to a permanent fiscal restoration of Europe, and I am loathe to have the United States embark on enterprises not strictly governmental in their nature. The fact that a government can furnish capital at lower rates of interest is illusionary, if there be taken into account that the public project pays no tax, and therefore does not bear its share of the cost of government. It seems to me that if the project is one which can pay its own way, private capital can be found. If it can not pay its own way, then we should consider whether all taxpayers throughout the United States should be taxed for the benefit of a part of the country.

Secretary Hoover, in the abstract of his statement before the House Committee on Irrigation and Reclamation on this bill, and released by him to the press on March 3, 1926, says in part:

In the bill as it is now proposed there are a number of secondary amendments which, I believe, could well be hammered out by the committee. For instance, it seems to me that we should not depart from the national policy established by the water power act and that the handling of the power question at this dam should be placed in the hands of the Federal Power Commission to give licenses for the use of the water for power purposes under the water power act without imposing a new system of allocation. Of course, any licenses issued should be subject to the approval of the Secretary of the Interior as to the major purposes of finance of the obligations of the Government and other requirements of the region.

It is true that Secretary Mellon and Secretary Hoover point out that it is possible that conditions may exist in connection with this project which would require a modification of these principles, but those conditions have not appeared. It is also true that Secretary Hoover refers to this power as a by-product, a term which as applied to this project, for the reasons above stated, seems to me palpably erroneous.

It is also true, as pointed out in the majority report, that the bill does not require the Secretary of the Interior to construct and operate the power plant, but that he might as one alternative lease the water. This alternative is, however, more of form than of substance, under the conditions herein, because the Secretary of the Interior has already placed himself on record as intending to use the alternative for Government construction and operation. In his letter to the chairman of the committee under date of January 18, 1926, which appears at pages 20–24 of the majority report, the Secretary says (pp. 22–23 of the majority report):

The building of a unified power plant by the Federal Government in the place of allocating power privileges, as proposed in the bill, is regarded as more efficient and cheaper.

Apparently Secretary Work has since March, 1924, departed from the principles so well expressed in his letter written conjointly with the fellow members of the Federal Power Commission. It is respectfully submitted that his first expression is more in accord with sound and established principles of government.

When argument is made of the possibility of the Interior Department choosing to follow one of the other alternatives of the bill, it should also be remembered that the Commissioner of Reclamation, the Hon. Elwood Mead, has also repeatedly expressed in no uncertain terms his preference for Government construction and operation of the power plant.

Now, what are the arguments relied upon as necessitating Government construction and operation of the power plant? First, it is argued that since power is a mere by-product to the other Government operations of flood control and water storage for irrigation, that the Government should, as it has in other small irrigation projects, operate the power plant. The lack of merit in this argument has already been dealt with and is fully and effectively answered in the letter of Secretaries Weeks, Wallace, and Work, hereinbefore quoted. The fallacy in the statement that power is a by-product must be patent.

In the second place, it is argued that if there is one set of operators for the dam and another set of operators for the power plants that there will be interference and friction between the two interests—that power will demand water that should be withheld for irrigation and that there will be a constant clash of interest. This position is equally without basis. The bill specifically provides, as does the Colorado River compact, that available water shall be first used for irrigation and domestic purposes. Flood control, irrigation, and domestic use of water are given priority. All contracts or leases of the use of water for power must be made subject to these controlling provisions of the bill. The Secretary of the Interior and power licensees under the Federal water power act would be compelled to observe these mandates concerning the use of water. How, then, could any conflict arise? Those in charge of the dam, the Government operators, would determine the needs of the dam for flood control and irrigation purposes; and if the use of the dam for these superior purposes and uses interfered with the supply of water for generation of power, the interference would have to be acquiesced in under the terms of the permits and contracts. There could be no more confusion arising than in any other case when a superior right overrides a subordinate one.

If, however, the Government should operate both dam and power plant it is possible that, in the interest of favoring the revenue-producing share of their operation, the Government employees might neglect the superior rights. Particularly might this be true where the power plant would, as here, be a much larger operation. In the interests, therefore, of efficiency of operation and protection of the superior rights to the water,

it is submitted that it would be clearly advisable to keep the Government out of the power business.

It is human and understandable, of course, that the Reclamation Service, which hopes to build this dam, would also like to build and operate the power plant. Two commissioners of reclamation have dreamed of this gigantic undertaking and have hoped that they might build it as a monument to their fame and glory. The power plant would add wonderfully to the project which the service would control; it would take many more Government employees; it would add to the important undertakings of the Reclamation Service. Is it not reasonable to suppose that an impelling—though possibly not a conscious—reason the Commissioner of Reclamation urges the Government into this new business is that an opportunity would thus be afforded the Reclamation Service to control and work with the largest hydroelectric plant in the world? It is not an unworthy ambition, but the Government should not be asked to finance the realization of these dreams.

As is pointed out in the letter of the three Secretaries, already referred to, a Government instrumentality for the protection of all public interests has already been established under a Federal water power act. It has worked well. Under it millions of horsepower have been developed, and until a legitimate, compelling reason for departing from that law and that policy is shown it should not be interfered with. Not only is the proposal here objected to bad legislation; it is a duplication of the functions of government; it is creating additional governmental positions to be filled by more employees; it is making for inefficiency in government; it is extending the deadening hand of bureaucracy into a field satisfactorily handled by private initiative and private capital.

In his letter to Senator McNARY, under date of December 30, 1925, Mr. O. C. Merrill, executive secretary of the Federal Power Commission, points out 11 particulars in which the Federal water power act safeguards the public interests which are not adequately covered by this bill. (See Senate hearings on Colorado River Basin, pp. 892, 893.)

The Federal Power Commission has the experience and personnel to handle the proposed power in the public interest; its rules and regulations have been developed. No good reason has been or will be suggested for vesting a new division of the Government with authority to duplicate the work of the Federal Power Commission without defined procedure and without experience. When it appears that the Federal water power act is not adequate for its purposes, when the Federal Power Commission has outlived its usefulness, let us do away with them, but no suggestion has been made that that time has come, and when if ever it does come, let us face the issue squarely and substitute new and better machinery instead of duplicating their functions.

There is still another point on which I wish to challenge this bill and the majority report. That is the representation that there is a ready market for this power. Where is that market? Here it is proposed to bring into existence 600,000 firm horsepower, and there must be a market for it at once if the representations as to financing this project are true. This is nearly as much power as is now used in the whole of southern California. The testimony before this committee did not show that there was any shortage of power in southern California. Indeed, that section of the country boasts of its cheap power. By what magic then are we to believe a market is to be created in this territory for this doubling of its power supply? Representatives of the city of Los Angeles tell us that they will take 200,000 of this horsepower to pump their water supply when they get that water supply from the Colorado River. But that time will come when Los Angeles has invested $150,000,000 to $250,000,000 in an aqueduct to carry this water and when the population of Los Angeles requires an additional 1,500 second-feet of water for an additional 10,000,000 people.

It is submitted that for Los Angeles with its present population of a million and a quarter to represent this growth will take place in 10 years or 20 years is rather optimistic—even for Los Angeles. And who will pay the carrying charges for this project while we await this growth? And even, then, who will take the other two-thirds of this supply, the other 400,000 horsepower? Who is to develop the market and carry the load while this power is being made ready? This power when generated will be 300 miles from Los Angeles, and at least 200 miles from the nearest possible demand of any size.

Will it be the cheapest power in the market after these transmission costs are added and in competition with the constantly increasing efficiency of other means of generating power? In view of the insistence that this project is not to cost the Government 1 cent, would it not be well before this appropriation of $125,000,000 is authorized to have substantial facts rather than hopeful estimates before us? Once this money is expended, interest charges will not await the growth of population and industry. The purchasers of power must have cash in hand when this power is ready. I have seen no proof that such will be the situation.

SUMMARY

It is with regret that I have found it necessary to oppose a bill which is represented by its proponents so enthusiastically as one which can accomplish nothing but good and at no cost. I have presented herein the reasons why it seems to me that these representations are not true. I find the measure one which seeks to bestow special advantages on one State at the expense of her sister States and the public at large. I find it backed by clever propaganda and personal appeals and masquerading under false colors. I find that it is a concealed attempt to thrust the Government into business on a large scale. I find that its worthy objects can be accomplished at a fraction of the proposed expenditure and with more safety and greater promptness. I have no desire to injure California or to deprive that great State of any advantages to which it is justly entitled. I think a wonderful valley of that State is entitled to and should have flood protection, and the State of Utah, which I have the honor to represent, is most willing to contribute to that protection. We think that this flood control should be provided and at an earlier date than is possible under this bill. We would willingly join in any worthy reclamation projects. But to do these things, we do not desire to see the Government of the United States entering into the perils of Government in business. When we decide to abandon the policy of private initiative under public regulation for the other theory of the functions of Government, let us do it openly and with full realization of the step we are taking—not under the guise of flood control.

ENROLLED BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 14236. An act granting the consent of Congress to the police jury of Rapides Parish, La., to construct a bridge across Red River at or near Boyce, La.;

S. 4702. An act to extend the time for the construction of a bridge across the Kanawha River at Kanawha Falls, Fayette, County, W. Va.;

S. 4740. An act granting the consent of Congress to the St. Louis-San Francisco Railway Co. to construct, maintain, and operate a railroad bridge across the Warrior River;

S. 4813. An act granting the consent of Congress to the Minneapolis, Northfield & Southern Railway to construct, maintain, and operate a railroad bridge across the Minnesota River;

S. 4831. An act granting the consent of Congress to the highway department of Davidson County of the State of Tennessee to construct a bridge across Cumberland River at a point near Andersons Bluff, connecting Old Hickory or Jacksonville, Tenn., by way of the Gallatin Pike, with Nashville, in Davidson County, Tenn.;

S. 4846. An act granting the consent of Congress to Tacony-Palmyra Bridge Co. to construct, maintain, and operate a bridge across the Delaware River at Palmyra, N. J.; and

S. 4874. An act to legalize a bridge across the Fox River in Algonquin Township, McHenry County, Ill., and for other purposes.

ADJOURNMENT

Mr. BARBOUR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 53 minutes p. m.) the House adjourned until Monday, January 17, 1927, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Monday, January 17, 1927, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON AGRICULTURE

(10 a. m.)

To amend section 10 of the plant quarantine act approved August 20, 1912 (H. R. 16172), authorizing an appropriation of $6,000,000 for the purchase of feed and seed grain to be supplied to farmers in the crop-failure areas of the United States, said amount to be expended under the rules and regulations prescribed by the Secretary of Agriculture (H. R. 15973).

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

District of Columbia appropriation bill.

COMMITTEE ON THE DISTRICT OF COLUMBIA

(7.30 p. m.)

The subcommittee making a survey of the District government will investigate methods of collecting taxes.

COMMITTEE ON FLOOD CONTROL

(10.30 a. m.—Room 246)

Authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods (H. R. 10962).

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

(10 a. m.)

To authorize an appropriation to provide additional hospital and out-patient dispensary facilities for persons entitled to hospitalization under the World War veterans' act, 1924 (H. R. 15663).

SCHEDULED FOR WEDNESDAY, JANUARY 19, 1927

COMMITTEE ON THE CENSUS

(10.30 a. m.)

To consider reapportionment of Members of the House of Representatives among the several States.

EXECUTIVE COMMUNICATIONS, ETC.

876. Under clause 2 of Rules XXIV, a communication from the President of the United States, transmitting a report of a supplemental estimate of appropriation for the Department of Commerce, for utilization of waste products from the land, for the fiscal year ending June 30, 1928, amounting to $50,000 (H. Doc. No. 648), was taken from the Speaker's table, referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WINTER: Committee on Irrigation and Reclamation. S. 4409. An act granting the consent of Congress to compacts or agreements between the States of Colorado, Nebraska, and Wyoming with respect to the division and apportionment of the waters of the North Platte River and other streams in which such States are jointly interested; without amendment (Rept. No. 1771). Referred to the House Calendar.

Mr. WINTER: Committee on Irrigation and Reclamation. S. 4411. An act granting the consent of Congress to compacts or agreements between the States of South Dakota and Wyoming with respect to the division and apportionment of the waters of the Belle Fourche and Cheyenne Rivers and other streams in which such States are jointly interested; without amendment (Rept. No. 1772). Referred to the House Calendar.

Mr. BRITTEN: Committee on Naval Affairs. H. R. 15336. A bill to authorize alterations and repairs to certain naval vessels; without amendment (Rept. No. 1781). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. HOOPER: Committee on War Claims. H. R. 9226. A bill to reimburse Dr. Philip Suriani; without amendment (Rept. No. 1773). Referred to the Committee of the Whole House.

Mr. WOLVERTON: Committee on War Claims. H. R. 15252. A bill to provide relief for certain natives of Borongan, Samar, P. I., for rental of houses occupied by the United States Army during the years 1900 to 1903; without amendment (Rept. No. 1774). Referred to the Committee of the Whole House.

Mr. WOLVERTON: Committee on War Claims. H. R. 15253. A bill for the relief of certain officers and former officers of the Army of the United States; without amendment (Rept. No. 1775). Referred to the Committee of the Whole House.

Mr. SEARS of Nebraska: Committee on Claims. S. 867. An act authorizing the Secretary of the Treasury to pay the Columbus Hospital, Great Falls, Mont., for the treatment of disabled Government employees; without amendment (Rept. No. 1776). Referred to the Committee of the Whole House.

Mr. CARPENTER: Committee on Claims. H. R. 2589. A bill for the relief of Archie O. Sprague; with amendment (Rept. No. 1777). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on Claims. H. R. 9515. A bill for the relief of R. P. Biddle; with amendment (Rept. No. 1778). Referred to the Committee of the Whole House.

Mr. VINCENT of Michigan: Committee on Claims. H. R. 9587. A bill for the relief of H. W. Krueger and H. J. Selmer, bondsmen for the Green Bay Dry Dock Co., in their contract for the construction of certain steel barges and a dredge for the Government of the United States; without amendment (Rept. No. 1779). Referred to the Committee on the Whole House.

Mr. SMITH: Committee on Irrigation and Reclamation. H. R. 14567. A bill authorizing the Comptroller General of the United States to allow credits to disbursing agents of the Bureau of Reclamation, Department of the Interior, in certain cases; with amendment (Rept. No. 1780). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 14965) granting a pension to Margaret J. Easterling; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 16340) for the relief of the Staunton Brick Co.; Committee on Claims discharged, and referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND: A bill (H. R. 16344) to authorize the location of historic points at Yorktown, Va., and for a survey with a view to the establishment of a national military park at the said place; to the Committee on Military Affairs.

Also, a bill (H. R. 16345) to acquire the Moore House and certain other property at Yorktown, Va., and establish the same as a national monument; to the Committee on the Library.

By Mr. HAYDEN: A bill (H. R. 16346) to authorize the purchase of land for the Navajo Indians in Arizona and New Mexico; to the Committee on Indian Affairs.

By Mr. KIRK: A bill (H. R. 16347) to amend section 83 of the Judicial Code, as amended; to the Committee on the Judiciary.

By Mr. KVALE: A bill (H. R. 16348) to provide for the preparation, printing, and distribution of pamphlets containing a biographical sketch of George Washington; to the Committee on Printing.

By Mr. REECE: A bill (H. R. 16349) to revive the grade of military storekeeper; to the Committee on Military Affairs.

By Mr. GILBERT: A bill (H. R. 16350) to provide for the collection and publication of statistics of tobacco by the Department of Agriculture; to the Committee on Agriculture.

By Mr. COYLE: A bill (H. R. 16351) further amending an act of March 4, 1925, as amended April 6, 1926, to provide for the relief of employees of the Bethlehem Steel Co., Bethlehem, Pa.; to the Committee on Claims.

By Mr. REED of New York: A bill (H. R. 16352) to incorporate Federal Ship Canals Co.; to the Committee on the Judiciary.

By Mr. McKEOWN: Resolution (H. Res. 379) declaring H. R. 5218 a public law; to the Committee on the Judiciary.

By Mr. SNELL: Resolution (H. Res. 380) authorizing the printing of "Procedure in the House of Representatives"; to the Committee on Rules.

By Mr. BLOOM: Resolution (H. Res. 381) concerning hearing before the Shipping Board on allocating the headquarters of the American Republics Steamship Line; to the Committee on the Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACHMANN: A bill (H. R. 16353) granting an increase of pension to Elcie Been; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16354) granting an increase of pension to Melissa Kimberland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16355) granting an increase of pension to Mary V. Heston; to the Committee on Invalid Pensions.

By Mr. BACON: A bill (H. R. 16356) for the relief of David Dawson; to the Committee on Claims.

By Mr. COYLE: A bill (H. R. 16357) to provide for the appointment from civil life of John Hafner to the grade of warrant officer, United States Army, and immediate retirement from the service; to the Committee on Military Affairs.

By Mr. DEMPSEY: A bill (H. R. 16358) for the relief of G. Elias & Bro. (Inc.); to the Committee on Claims.

By Mr. DENISON: A bill (H. R. 16359) granting an increase of pension to Fredonia A. Lauder; to the Committee on Invalid Pensions.

By Mr. DICKINSON of Iowa: A bill (H. R. 16360) granting an increase of pension to Emma J. Preble; to the Committee on Invalid Pensions.

By Mr. DYER: A bill (H. R. 16361) granting an increase of pension to Richard B. Norris; to the Committee on Pensions.

Also, a bill (H. R. 16362) granting an increase of pension to Hutchins Inge; to the Committee on Pensions.

By Mr. ESTERLY: A bill (H. R. 16363) for the relief of Peter Weitzel; to the Committee on Military Affairs.

By Mr. FLETCHER: A bill (H. R. 16364) for the relief of Larkin Tonguet; to the Committee on Military Affairs.

By Mr. GAMBRILL: A bill (H. R. 16365) for the relief of Julius J. Forgette; to the Committee on Military Affairs.

By Mr. GARDNER of Indiana: A bill (H. R. 16366) granting an increase of pension to Elvira Louisa Kanady; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16367) for the relief of William Cope; to the Committee on Military Affairs.

By Mr. GRIFFIN: A bill (H. R. 16368) granting a pension to Elizabeth Agnes Axson; to the Committee on Pensions.

By Mr. HUDSPETH: A bill (H. R. 16369) granting a pension to Laura J. Bond; to the Committee on Pensions.

By Mr. KIESS: A bill (H. R. 16370) granting a pension to Edith J. May; to the Committee on Invalid Pensions.

By Mr. KIRK: A bill (H. R. 16371) granting an increase of pension to Lizzie Butler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16372) granting an increase of pension to Mourning Sizemore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16373) granting an increase of pension to W. T. Atkinson; to the Committee on Pensions.

Also, a bill (H. R. 16374) granting a pension to Martha Bowles; to the Committee on Invalid Pensions.

By Mr. LINEBERGER: A bill (H. R. 16375) granting an increase of pension to Frederick Turner; to the Committee on Pensions.

Also, a bill (H. R. 16376) granting a pension to Luella E. Heath; to the Committee on Invalid Pensions.

By Mr. MAGRADY: A bill (H. R. 16377) granting an increase of pension to Abbie E. Fisher; to the Committee on Invalid Pensions.

By Mr. MARTIN of Massachusetts: A bill (H. R. 16378) granting an increase of pension to Susan A. Whiting; to the Committee on Invalid Pensions.

By Mr. MOORE of Virginia: A bill (H. R. 16379) to extend the benefits of the employees' compensation act of September 7, 1916, to James W. Rollins; to the Committee on Claims.

By Mr. MOREHEAD: A bill (H. R. 16380) granting a pension to Mary Demaree; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 16381) granting an increase of pension to Clara Collins; to the Committee on Invalid Pensions.

By Mr. STRONG of Kansas: A bill (H. R. 16382) granting an increase of pension to Mina Rinck; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 16383) for the relief of Alva L. H. Mitchell; to the Committee on Claims.

By Mr. THOMAS: A bill (H. R. 16384) granting an increase of pension to Nancy Campbell; to the Committee on Invalid Pensions.

By Mr. TOLLEY: A bill (H. R. 16385) granting an increase of pension to Viola A. Waterman; to the Committee on Invalid Pensions.

By Mr. TYDINGS: A bill (H. R. 16386) authorizing the President to order Maj. E. P. Duvall before a retiring board for a hearing of his case and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation; to the Committee on Military Affairs.

By Mr. VESTAL: A bill (H. R. 16387) granting a pension to Henretta Stigall; to the Committee on Invalid Pensions.

By Mr. WATSON: A bill (H. R. 16388) granting an increase of pension to Mary J. Guy; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5000. By Mr. ANDREW: Petition signed by citizens of Gloucester, Mass., favoring the passage of further legislation providing increases in pension for veterans of the Civil War and their widows; to the Committee on Invalid Pensions.

5001. By Mr. ARNOLD: Petition from citizens and officials of the city of Robinson, Ill., urging the passage of the Lankford Sunday rest bill; to the Committee on the District of Columbia.

5002. Also, resolution from the congregation of the First Presbyterian Church, Robinson, Ill., favoring the passage of the Lankford Sunday rest bill; to the Committee on the District of Columbia.

5003. By Mr. BACON: Petition of voters of the first congressional district, New York, requesting the passage of House bill 10311; to the Committee on the District of Columbia.

5004. By Mr. BLOOM: Resolution of the Publishers' Association of New York City, requesting passage of amendment to the postal law, with reference to bundle rates for carriage of bundles of newspapers from station to station; to the Committee on Ways and Means.

5005. By Mr. CHALMERS: Petition urging an increase in the pension of Civil War veterans and their widows, signed by about 50 constituents of Toledo, Ohio; to the Committee on Invalid Pensions.

5006. By Mr. CHINDBLOM: Petition of Francis W. James and Roy T. McConnell, of Benton Township, Lake County, Ill., sent by E. C. Vinnedge, Zion, Ill., urging passage of a bill granting increases of pension to Civil War veterans and their widows; to the Committee on Invalid Pensions.

5007. By Mr. COOPER of Ohio: Petition of Phoebe M. Crowley and other residents of Youngstown, Ohio, favoring increased pensions for Civil War veterans and their widows; to the Committee on Invalid Pensions.

5008. By Mr. DENISON: Petition of various citizens of Dongola, Ill., urging that immediate steps be taken to bring to a vote a Civil War pension bill, in order that relief may be accorded to needy and suffering veterans and their widows; to the Committee on Invalid Pensions.

5009. Also, petition of various citizens of Herrin, Ill., urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to needy and suffering veterans and their widows; to the Committee on Invalid Pensions.

5010. By Mr. DOWELL: Petition of citizens of Des Moines, Polk County, Iowa, urging enactment of legislation increasing pensions of veterans of the Civil War and their widows; to the Committee on Invalid Pensions.

5011. By Mr. ROY G. FITZGERALD: Petition of 48 voters of Hamilton, Butler County, Ohio, praying for the passage of a bill to increase the pensions of Civil War veterans and their widows; to the Committee on Invalid Pensions.

5012. By Mr. HOCH: Petition of 35 citizens of Onaga, Kans., urging early action on the Civil War pension bill now pending; to the Committee on Invalid Pensions.

5013. Also, petition of 91 citizens of Carbondale, Kans., urging early action on the Civil War pension bill now pending; to the Committee on Invalid Pensions.

5014. Also, petition signed by 62 citizens of Reading, Kans., urging early action on the Civil War pension bill now pending; to the Committee on Invalid Pensions.

5015. By Mr. HOWARD: Petition in behalf of Mrs. Margaret Haney, Hubbard, Dakota County, Nebr., for passage of Civil War pension bill for aid and relief of suffering veterans and their widows; to the Committee on Invalid Pensions.

5016. Also, petition in behalf of Mrs. Henriette C. L. Feddersen, of Neligh, Antelope County, Nebr., for passage of Civil War pension bill for aid and relief of suffering veterans and their widows; to the Committee on Invalid Pensions.

5017. By Mr. HUDSPETH: Petition of residents of Kerrville, Tex., advocating a bill increasing pensions of Civil War veterans and widows; to the Committee on Invalid Pensions.

5018. By Mr. LANHAM: Petition of I. A. Crane, W. R. Patterson, J. D. Casey, and others, protesting against the enactment of House bill 10311 and Senate bill 4821; to the Committee on the District of Columbia.

5019. By Mr. LEA of California: Petition of 130 residents of Butte County, Calif., favoring legislation to increase Civil War pensions; to the Committee on Invalid Pensions.

5020. By Mr. LETTS: Petition of sundry citizens of Dewitt, Iowa, urging the passage of House bill 10311, known as the Lankford Sunday rest bill for the District of Columbia; to the Committee on the District of Columbia.

5021. Also, petition of sundry citizens of Camanche and Clinton, Iowa, urging the passage of House bill 10311; to the Committee on the District of Columbia.

5022. By Mr. McSWEENEY: Petition of citizens of Alliance, Stark County, Ohio, asking for immediate action on Mr. Elliott's bill, increasing pensions for Civil War soldiers and their widows; to the Committee on Invalid Pensions.

5023. Also, petition of citizens of Bodil, Stark County, Ohio, asking for immediate action on Mr. Elliott's bill, increasing pensions for Civil War soldiers and their widows; to the Committee on Invalid Pensions.

5024. By Mr. MOORE of Kentucky: Petition signed by 34 voters, urging that pension legislation now pending before

Congress for the benefit of Civil War soldiers and widows of Civil War soldiers be brought to an early vote; to the Committee on Invalid Pensions.

5025. By Mr. MORROW: Petition of citizens of Petaca, N. Mex., indorsing legislation for Civil War veterans and widows; to the Committee on Invalid Pensions.

5026. By Mr. O'CONNELL of New York: Petition of the Publishers' Association of New York City, favoring the passage of an amendment to the postal law restoring the 1920 rates to second-class mail; to the Committee on the Post Office and Post Roads.

5027. Also, petition of the Maritime Association of the Port of New York, protesting against the transfer of the American Republic Line to any other port as a base of operations; to the Committee on the Merchant Marine and Fisheries.

5028. Also, petition of David T. Warden, chairman Committee on the Harbor and Shipping Chamber of Commerce of the State of New York, protesting against the transfer of the American Republic Line to any other port as a base of operations; to the Committee on the Merchant Marine and Fisheries.

5029. Also, petition of the Chamber of Commerce of the United States, favoring the passage of the McFadden-Pepper bill (H. R. 2); to the Committee on Banking and Currency.

5030. By Mr. PATTERSON: Memorial of American citizens in mass meeting at Young Men's Hebrew Association Auditorium, Camden, N. J., expressing sympathy for the Jews of Rumania and petitioning Senators and Representatives to voice protest against treatment of the Jewish people of Rumania; to the Committee on Foreign Affairs.

5031. Also, memorial of board of directors of the Maritime Association of the Port of New York, protesting against the removal of the American Republic Line from the port of New York; to the Committee on Interstate and Foreign Commerce.

5032. By Mr. PRATT: Petition of citizens of Kingston, Ulster County, N. Y., urging passage of legislation further increasing the pensions of Civil War veterans and their widows; to the Committee on Invalid Pensions.

5033. By Mr. RAMSEYER: Petition of residents of Oskaloosa, Iowa, urging that immediate steps be taken to bring to a vote the Civil War pension bill; to the Committee on Invalid Pensions.

5034. By Mr. REED of New York: Petition of citizens of Olean, N. Y., in support of a Civil War pension bill; to the Committee on Pensions.

5035. By Mr. ROMJUE: Petition of John S. Shane, Alfred Vaught, and others, asking for increased pensions for Civil War veterans and their widows; to the Committee on Invalid Pensions.

5036. By Mr. ROWBOTTOM: Petition of Mrs. Emma S. Inwood and others, of New Harmony, Ind., requesting Civil War pension legislation; to the Committee on Invalid Pensions.

5037. Also, petition of Mrs. C. A. Fischer and others, of Newburg, Ind., requesting passage of Indian War pension bill; to the Committee on Pensions.

5038. By Mr. SHALLENBERGER: Petition of voters of Franklin, Nebr., requesting Civil War pension legislation; to the Committee on Invalid Pensions.

5039. Also, petition of voters of Red Cloud, Nebr., requesting Civil War pension legislation; to the Committee on Invalid Pensions.

5040. By Mr. SHREVE: Petition for the passage of the Civil War pension bill, granting increase in pension to veterans and their widows, by citizens of Spartansburg, Pa.; to the Committee on Invalid Pensions.

5041. By Mr. STRONG of Pennsylvania: Petition of citizens of Jefferson County and of Bethel Township, Armstrong County, Pa., praying for immediate action on the pending Civil War pension bill; to the Committee on Invalid Pensions.

5042. By Mr. TAYLOR of Colorado: Petition of citizens of New Castle, Colo., urging enactment of legislation for the Civil War veterans and their widows; to the Committee on Invalid Pensions.

5043. By Mr. TAYLOR of New Jersey: Petition of David T. Warden, chairman committee on the harbor and shipping, Chamber of Commerce of the State of New York, protesting against the transfer of the American Republic Line to any other port as a base of operations; to the Committee on the Merchant Marine and Fisheries.

5044. Also, petition of the Maritime Association of the Port of New York, protesting against the transfer of the American Republic Line to any other port as a base of operations; to the Committee on the Merchant Marine and Fisheries.

5045. By Mr. TOLLEY: Petition of 51 citizens of Greene, N. Y., requesting increased pensions for Civil War veterans and their widows; to the Committee on Invalid Pensions.

5046. Also, petition of 47 citizens of Johnson City, N. Y., requesting increased pensions for Civil War veterans and their widows; to the Committee on Invalid Pensions.

5047. Also, petition of 61 citizens of Afton, N. Y., requesting increased pensions for Civil War veterans and their widows; to the Committee on Invalid Pensions.

5048. Also, petition of 76 citizens of West Edmeston, N. Y., requesting increased pensions for Civil War veterans and their widows; to the Committee on Invalid Pensions.

5049. Also, petition of 43 citizens of Stamford, N. Y., requesting increased pensions for Civil War veterans and their widows; to the Committee on Invalid Pensions.

5050. By Mr. ZIHLMAN: Petition of citizens of Washington County, Md., urging immediate action and support of the bill to increase pensions of Civil War veterans and their widows; to the Committee on Invalid Pensions.

SENATE

MONDAY, *January 17, 1927*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father and our God, Thou art always dealing with us very tenderly. Thou hast our interests at heart. Sometimes we forget them and wander in by and forbidden paths, but Thou dost wean us to Thyself. We ask that in all the engagements of this day there may be a quest after Thee, so that our hearts may be restful, our consciences clear, and the import of our doings acceptable before Thee. We ask in Jesus Christ's name. Amen.

The Chief Clerk proceeded to read the Journal of the proceedings of Saturday last, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Lenroot	Robinson, Ark.
Bayard	Frazier	McKellar	Robinson, Ind.
Bingham	George	McLean	Sackett
Blease	Gerry	McMaster	Sheppard
Borah	Gillett	McNary	Shipstead
Bratton	Glass	Mayfield	Shortridge
Broussard	Goff	Means	Smith
Bruce	Gooding	Metcalf	Smoot
Cameron	Gould	Moses	Steck
Capper	Greene	Neely	Stephens
Caraway	Hale	Norbeck	Stewart
Copeland	Harris	Norris	Swanson
Couzens	Harrison	Nye	Trammell
Curtis	Hawes	Oddie	Tyson
Dale	Heflin	Overman	Wadsworth
Deneen	Johnson	Pepper	Walsh, Mass.
Dill	Jones, N. Mex.	Phipps	Walsh, Mont.
Edge	Jones, Wash.	Pine	Warren
Edwards	Kendrick	Pittman	Watson
Ernst	Keyes	Ransdell	Weller
Ferris	King	Reed, Mo.	Wheeler
Fess	La Follette	Reed, Pa.	Willis

Mr. NORRIS. I desire to announce the necessary absence of my colleague, the junior Senator from Nebraska [Mr. HOWELL] on account of illness.

The VICE PRESIDENT. Eighty-eight Senators having answered to their names, a quorum is present. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President:

S. 3804. An act granting the consent of Congress to W. D. Comer and Wesley Vandercook to construct, maintain, and operate a bridge across the Columbia River between Longview, Wash., and Rainier, Oreg.;

S. 4702. An act to extend the time for the construction of a bridge across the Kanawha River at Kanawha Falls, Fayette County, W. Va.;

S. 4740. An act granting the consent of Congress to the St Louis-San Francisco Railway Co. to construct, maintain, and operate a railroad bridge across the Warrior River;

S. 4813. An act granting the consent of Congress to the Minneapolis, Northfield & Southern Railway to construct, maintain, and operate a railroad bridge across the Minnesota River;